The African Economic Research Consortium:
An Evaluation and Review

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1 INTRODUCTION AND POINT OF DEPARTURE

In this introductory section we begin by sketching out the background to our report - the timing of our appointment, the terms of reference that we were given, and the procedures that we have followed in gathering evidence and forming our opinions. We then set out in summary terms the general view that we have formed of the AERC - its structure, its role up to now, its recent history, its achievement, and the constraints and limitations to which it is subject. This overall assessment provides the context, the point of departure, for the report as a whole; and it is restated in a shorter and somewhat modified form, taking account of the sections that follow, in our final conclusions. We round off the introduction by outlining the sequence of the argument, and the approach that we have taken, in the remaining four sections of the report.

1. Background and Procedures

We were appointed in May 1995 to carry out an evaluation of the whole programme and operations of the AERC. Phase III of the programme runs from April 1994 to March 1997, and the following three-year period has been designated as Phase IV. The timing of our inquiry thus makes it possible for us to give a first assessment of developments within Phase III, and to provide information, ideas and suggestions which may help the Board of Directors of the Consortium, and the Advisory Committee, in formulating a strategy and a programme for the succeeding phase - i.e., to the end of the decade.

Our terms of reference are broad, and were informally summarised to us at an early stage as covering "all aspects of AERC as a functioning entity". Within this broad envelope, however, a number of specific headings were assigned to us. In particular, we were instructed to consider and report on

(i) the responsiveness of AERC's research modalities, themes and procedures to changing policy concerns and professional needs;

(ii) the effectiveness of the labour-intensive process that characterises the programme of research, and hence ways in which effectiveness might be improved;

(iii) the impact of AERC research on policy, and ways in which the links between the research programme and the policy process might be strengthened; and
(iv) the implementation, up to the time of our report, of the Collaborative MA Programme (the CMAP) which has been launched during Phase III.

Accordingly, we have given special attention to these aspects of the programme in our report.

Our inquiry was carried out in four stages. (a) In the first, following our appointment, we were able to read and consider a wide range of documentary material provided by the Secretariat. (b) In the second, we paid a four-week visit to Africa, which in turn was divided into two phases. In the first of these, in Nairobi, we had intensive interviews and discussions with members of the Secretariat; we visited the Joint Facility for Electives of the CMAP, and interviewed both staff and students on the course; and we held interviews with a number of persons in Nairobi, most though not all of whom were members of the AERC network. Following this, we split up for a second phase of information-gathering and interviewing: one of us (Henderson) visited Ghana and the Cote d'Ivoire, the other (Loxley) Tanzania and Uganda. Here again, the interviews extended to well-informed outsiders, some of them in official positions, as well as network members. On return from Africa, one of us (Loxley) held interviews with a number of Canadian officials who are familiar with AERC and its work. (c) In December 1993, we were able to attend as observers two AERC meetings in Johannesburg - first, the Research Workshop, and second, a meeting of the Advisory Committee. In the course of the Workshop, and later in one or two cases at the Advisory Committee, we were able to conduct a further series of interviews - with Board members, Committee members, researchers, resource persons, and observers who are well acquainted with the AERC programme.

Among the many documents that we have been able to make use of, particular mention should be made of five other reports that have been prepared on different aspects of the AERC programme and operations. First in chronological order, and highly pertinent for us, is the earlier counterpart evaluation study reviewing Phase II and looking ahead to Phase III, which was carried out for the Board by Crauford Goodwin and Femi Kayode, and completed in April 1993. The other four reports, which are both more specialised and more recent, are: (a) the report to the Executive Director, by James Trowbridge, on AERC Management Structure and Capacity; (b) the two studies undertaken by Joseph Hoffman on the policy process in African countries, now synthesised in an AERC Special Paper entitled Linking Economic Research and Policy-Making: The Role of AERC; (c) the report by Samuel Wangwe and Funl Cassie on the possible role of the AERC in relation to South Africa; and (d) the report for the Advisory Committee by Erik Thorbecke, entitled Evaluation of the Research Program of the African Economic Research Consortium. While we have not tried to summarise or review any of these five documents, we have drawn on them at various points and taken their conclusions into account.
2. Starting-Point: The Achievement and Present Situation of AERC

In viewing and judging the AERC's programme, and the ways in which it might be modified, developed and improved, two features of the present situation are in our view fundamental. One is the continuing achievement of the Consortium, and the other is the increasingly strict resource limitations under which it is likely to have to operate. These twin considerations provide the point of departure for our inquiry, and have shaped the approach that we take.

The achievement has been extensively and increasingly recognised. In their earlier evaluation, Professors Goodwin and Kayode describe the AERC as "an excellent institution"; and both before and since their report, many other observers have paid tribute to the Consortium and its work: we shall quote some recent instances below. AERC is now widely viewed, with good reason, as a notable success story. It is worth considering briefly both the nature of this achievement and the factors that help to account for it.

(a) Dimensions of Success

As to what success has comprised and involved, a central aspect has been, and continues to be, the strengthening of the economics profession across the African continent. This has operated at the level both of individual teachers and researchers and of the profession as a whole: the two have gone together. As one group of researcher-interviewees expressed it: AERC has encouraged researchers to have confidence in themselves, developed their competence, broken down the previous isolation, and helped to remedy the crippling absence of facilities. Not only the research programme, but also and increasingly the training programme, have contributed to this set of outcomes.

The results of AERC's main activities up to now are to be seen, not only in the increasing stock of published output from the research programme, but also in the establishment of the 'network' - i.e., the growing community of economists across Africa, in both Anglophone and Francophone countries, who are linked by their participation in one or other of the AERC programmes and the meetings associated with these, through their consequent awareness of each other's situation and work, and through the sense of a common membership of an international research community to which the AERC has provided effective and continuing access. It is true - and we shall return to this point in the section which follows - that not all economists within the profession working in Africa, even in the countries where the research and/or the training programme is in operation, can qualify at present to participate in AERC-sponsored activities. All
the same, it is not too much to say that the Consortium, in the space of little more than seven years, has transformed the situation of economics and economists in Africa. This was stressed by a number of the researchers that we spoke with: as one of them put it: "What would have become of the economics profession in Africa without the AERC? I hate to think". The same thought is to be found in Erich Thorbecke's report on the research programme, where he writes: "It is no exaggeration to claim that the Consortium provides the cement holding African researchers together".

In our interviews, it was not only the direct beneficiaries of the AERC programme who paid tribute to the continent-wide impact. Two experienced African observers, neither of whom have been researchers and whose professional interests and experience are very different, each put this point to us in a rather similar way: one said that AERC has been "the most successful development within the economics profession in Africa", and the other that it is "one of the best things that has happened on the continent of Africa". To have achieved such results in so short a time, and with an annual budget which even now is only of the order of $7 million, is a remarkable feat.

Both an aspect and a contributing cause of AERC's success has been the establishment of, and insistence on, high professional standards. Within the research programme, and from its earliest beginning applicants have had to meet strict criteria for the acceptance of proposals, followed by a series of evaluations and reviews before a final stage of publication is reached. The procedures involved, and standards set, are the same for all; and they conform to accepted international practice. Within the Consortium, high standards have been established - and enforced - for participating universities, while both the content of teaching of courses and the conduct of examinations are the subject of systematic procedures for evaluation and review. Not only has this concern for standards helped to ensure satisfactory levels of quality performance in each of the two programmes, but it has also served to establish the reputation of the Consortium, and hence of those who have become associated with its activities, both as researchers and teachers. Both the AERC and the network have become increasingly recognised, and viewed with respect not only within Africa but also more widely.

A conspicuous mark of this recognition, and a highly positive development for AERC and the network, has been the recent decision by the International Monetary Fund to institute an Attachment Programme for African economists nominated by AERC, under which they are able to spend a period of three years attached to the Research Department of the Fund - and with the opportunity now of a further short stay in the Policy Research Department in the World Bank, which has followed the example of the Fund. The Research Workshop in December the Deputy Managing Director of the Fund - whose presence
speaker at the Workshop was itself a tribute to the position which the AERC has now attained - began his remarks by saying how pleased the Fund was with the operation of this scheme.

(b) Developments During Phase III

During the two years or so that have elapsed since Phase III began, the Consortium has both extended and refined its activities, with results that are clearly positive. The outstanding new development of this period has been the establishment of the CMAP, which has now emerged as the main single item of expenditure within the AERC programme as a whole - it is due to account for approximately 37 per cent of recurrent spending for the financial year 1996/97. We say more about this major new undertaking in Section III below, and it is in any case the subject of an evaluation study of its own. At this point we simply note that, from all the evidence that we have gathered during our inquiry, the CMAP has to be counted as a highly successful operation.

Other innovations or new departures in Phase III have concerned both the research programme and the activities which are listed by AERC under 'publication and dissemination'. Common to both, though organisationally it falls under the latter heading, has been the institution of a Senior Policy Seminar at which African policymakers and members of the network were brought together to exchange views and ideas on current issues of policy which had been the subject of AERC thematic research projects: the first such seminar, viewed before the event as an experiment, was held in March 1995. It was clear from the evaluation of the Seminar that was made (following AERC's usual practice), as also from a number of our interview sessions, that this meeting went extremely well: one of our interviewees, a senior person, said that for him the Seminar was "one of the most elevating experiences I ever had". The success of this event is a notable feather in AERC's cap.

As to matters that belong more strictly to 'publication and dissemination', several developments have taken place during Phase III, of which two in particular should be noted as substantial steps forward. The first of these, which formed part of the strategy for Phase III and was actually instituted for the first Senior Policy Seminar, is that Executive Summaries of published Research Papers are now prepared, and issued in both English and French. The second is a major reorganisation of the arrangements for publishing AERC documents, which went into effect during 1994. Up to the beginning of that year, editing was done in London and typesetting and printing in Oxford. Now all is local, with editing done in Nairobi (though contracted out), and documents issued through desk-top publishing by the Publications Manager and her
assistant. As a result of these changes, the quality of the finished product has been maintained, while the process of publication is now both quicker and cheaper.

Within the main research programme, Phase III provided for consolidation and modest extensions, rather than major new developments; and apart from the Senior Policy Seminar which stands as a notable innovation, this has broadly been the pattern of these past 2-3 years. A significant recent achievement, an evidence of the extent to which the research programme has matured and borne fruit, was the appearance in August 1994 of an issue of the journal *World Development* in which the contents consisted entirely of papers written by members of the network and originally prepared as AERC research projects.

Finally, there are developments to note for Phase III with respect to the internal functioning of AERC and its component parts. Relations between the Board and the Advisory Committee have been systematised and measures have been taken to ensure continuity on the Committee. Within the Secretariat, this recent period has seen the further development of financial controls, and more broadly of management methods and procedures. The Executive Director's stated aim for Phase III was "to institutionalise good working practices", and both our own observation and a reading of the Trowbridge Report suggest that this has been substantially achieved.

In short, Phase III, while still in progress, has brought changes which have (i) extended the scope of AERC's operations into the training area in what appears to have been a highly effective way, and brought a range of improvements to other aspects of its operations, and to the ways in which these operations are planned, monitored and executed. The strategic goals that were set for Phase III seem to be in course of realisation, while the reputation of AERC, not only within Africa but on the international scene, has continued to grow.

(c)  *Factors in Success and Lessons for the Future*

The factors that account for AERC's success up to now are pertinent in considering its future. We believe that five interrelated elements in particular are worth noting.

(1) The institutional structure of the Consortium - its constitution, so to speak - has functioned extremely well: as Goodwin and Kayode put it in their report, "AERC's record with institutional architecture construction is quite remarkable". The tripartite interaction and division of labour between B Advisory Committee and Secretariat has proved well-judged and effective. To this main structur
should now add the Academic Board, as a further well-defined element though in relation to the Training Programme only; and arguably the Consortium now has four main pillars rather than three, since in addition to Board, Advisory Committee and Secretariat there is the network as a whole. In this structure, the parts interact to good purpose, while the whole is more than the sum of the parts.

(2) In the design and conduct of the programme, procedures are systematic and well considered. We have been impressed by the extent to which what AERC does is carefully thought out before the event and systematically reviewed and appraised thereafter: the establishment of the CMAP is a notable recent instance. The present procedures and working practices permit initiative and flexibility on the Secretariat's part, while providing for both clarity and accountability.

(3) Professional standards have been consistently set and maintained. This has been true not only, and as noted above, in relation to what is required of participants in the research and training programmes: it applies equally to the running of the Consortium itself, and to the activities of the Secretariat in particular. AERC has established a reputation for professionalism, both in the standards it imposes and in its conduct of business.

(4) As so often, personal factors have been important: success has resulted from a combination of commitment and leadership. These have come from members of the Board and the Advisory Committee; from the resource persons in the research programme; from Academic Board members, and the teachers and examiners, within the CMAP; and last but by no means least, from the Secretariat.

(5) A final element, which is particularly relevant in considering possibilities for the future, can perhaps be best summarised as organisational prudence. This has a number of aspects, which were well identified in the Secretariat's strategy document for Phase III in the following terms:

- "a sharp focus on an interrelated range of activities";

- "careful incremental expansion of activities in line with managerial and financial capabilities"; and

- "a sober recognition of the Consortium's limitations as well as strengths".

From the record of achievement and the list of elements that have contributed to it, two simple prudential morals can be drawn as to the next stage of AERC's evolution.
First, we think that what Goodwin and Kayode said in their report about the research side can be applied to the Consortium's programme as a whole: because it has gone so well up to now, "changes in it should be undertaken only with great care". This applies not only to the scope and content of the programme, but also to the way in which it is conducted - the actual structure and operations of the Consortium.

Second, programme decisions have to be taken with resource availabilities and limitations clearly in mind. In large part, this is a matter of financing. The present and prospective financial climate is one in which donors are likely to be limiting or resisting new commitments and searching for reductions and economies. So that AERC's plans and ambitions for the future have to be framed accordingly. But availability of funds is not the only factor to be taken into account in relation to what is worth considering, or attempting, for the future: there is also a human aspect. It is clear that the leadership of the Secretariat is chronically overextended at present, and that this also sets limits to what further initiatives can reasonably be planned or expected.

There is a risk that the very success of AERC up to now may lead to unrealistic estimates of what is practicable at the next stage, and in our review of future possibilities we have kept this aspect in mind.

3. Sequence and Approach

The remainder of this report is set out in five sections. Sections II and III deal respectively with the main headings of the AERC programme, namely research and training. In Section IV we turn to issues of governance, financing and management, while in Section V we look at the future evolution of Consortium as a whole - its objectives, scope, constitution and role - and review some of the broad choices that now arise or may soon have to be faced. Section VI sets out our conclusions and recommendations.

Three features of our presentation are worth noting at this stage.

First, while we have not included as such an executive summary of the report, Section VI can be viewed as a substitute for this. It is designed to be self-contained, and can thus be read independently and on its own.
Second, we have not followed the practice of our predecessors (Goodwin and Kayode), or the standard form in which AERC activities are presented, by including a separate section on 'publication and dissemination' as a third heading of the programme, alongside 'research' and 'training'. The reason for this, which will become clearer from the section that follows, is that we think that policies and programmes relating to research on the one hand, and publication and dissemination on the other, ought to reflect an organisation-wide view of AERC's role and objectives. They should be viewed not as separate headings, but as aspects of a common strategic design.

Third, while we make a number of recommendations, which are identified in the text and restated in the final section, these do not extend to most of the larger strategic issues that the AERC now faces or may face in the near future. Most of our recommendations are specific and straightforward; they would not be difficult to adopt, and would lead (we think) to improvements at the margin in the conduct of AERC's programme as currently defined. When it comes to larger strategic choices about the size and scope of the programme, such as whether a Collaborative Ph.D. Programme (CPP) should now be instituted, or whether the Consortium should now be viewed as entering into a 'steady state', we have in general taken a more qualified and conditional approach: we have tried to outline and throw light on the choices as we see them, rather than taking a firm position of our own.

In viewing and assessing possibilities for the future, we have kept in mind the twin principles stated above, that any significant changes in the programme should be fully considered, and that AERC's tasks and resources should remain closely matched. Past observance of these principles partly accounts for the Consortium's success so far, and in the present and prospective financial climate their relevance has become even greater.
II THE AERC RESEARCH PROGRAMME

In relation to research, we begin by outlining the current and immediately prospective situation of the AERC programme as a whole: its size, viewed in terms of total expenditure, its general effectiveness (drawing here on the Thorbecke Report to the Advisory Committee), and the balance within it as between different categories or 'modalities' of research. We then review in some detail the main single element within the programme, the original core activity of AERC, namely thematic research. Under this latter heading, we consider in turn (a) the framework of procedures within which the thematic research programme is defined and carried out, including in particular the Research Workshops, and (b) the focus of the programme - i.e., the choice of eligible topics and subject areas within it. In doing so, we give some attention to the broad orientation of AERC research - not just the themes and topics treated, but also the intellectual scope of the programme - and to its policy content and relevance. We then consider more specifically, and at greater length, the various interrelations, actual and possible, between the AERC research programme as a whole, including all modalities, and the realm of economic policies. Finally, we review, in the light of the previous discussion, some broad issues of the size, scope and composition of the programme, and consider in this context the role of AERC in relation to 'capacity-building'.

1. The Present Programme: A First Overview

Our point of departure under this heading is the Thorbecke Report to the Advisory Committee, from which we have already quoted. A principal finding of the author is that:

"After spending months evaluating the research program of AERC, I am left with the impression that, on the whole, it has been an extraordinarily successful operation".

In part, this conclusion is based on evidence presented in the report which suggests (i) that the quality of the research output has been rising over time and (ii) that there has been "an increasing cost effectiveness of research output throughout the life of the AERC". We were impressed by the evidence cited, and would concur with Professor Thorbecke's favourable overall judgement on the programme, which is consistent with the evidence that we ourselves were given, some of which has been referred to above, and with our own reading and observation.

As we have noted, the research programme has not greatly changed in the course of Phase III, either scale or composition. For the budget year 1995/96 total expenditure within the programme is estima-
in round terms at $2.3 million, which is close to one-third of all AERC recurrent expenditure for that year. Of this total, rather more than $400,000 is for purposes not linked to a particular research modality - essentially, for 'programme management'. Within the remaining $1.9 million, about one-sixth only is assigned to forms of research other than thematic - namely, collaborative research ($211,000); comparative research ($40,000); and non-thematic research ($73,000). The remaining five-sixths of directly allocable expenditures go to the thematic research programme, which is clearly the dominant element. Here there are four main heads of expenditure: grants ($495,000); costs of the twice-yearly workshop ($866,000); costs of technical meetings ($150,000); and thematic papers ($52,000). The estimated total for thematic research thus comes to between $1.5 and $1.6 million, as compared with rather over $300,000 for the other modalities combined.

In addition to these amounts, there are expenditures listed in the accounts under 'Publications and Dissemination' which are directly linked with the research programme. For 1995/96 a total of rather more than $100,000 is shown for publication expenses of Research Papers, Special Papers, and Executive Summaries, and these expenditures presumably arise from the programme of thematic research. A further item for the publication of books, amounting to $50,000 in 1995/96, is probably accounted for in large part by collaborative research, though with some element attributable to thematic research. Including these items would bring up the total of research-related expenditures to a figure not far short of $2.5 million, and would leave unaffected the dominance of thematic research within the expenditures that can be assigned to particular modalities.

Thematic research has pride of place within the AERC programme not only because it is much the largest element in terms of expenditure: it is also a modality in which AERC itself has the deciding voice on what is done, since the Consortium is solely responsible for the financing and execution of the programme. By contrast, collaborative research projects are designed to be undertaken with other agencies, so that the extent of AERC financing and responsibility is more limited: the AERC is seen as promoter, animator and joint participant, rather than as the main source of funds, nor is it necessarily (though it can be) the managing agency.

It is a notable feature of the AERC thematic research programme that although it is financed by donor agencies the donors are not involved in the choice of projects. The division of functions that was deliberately created at the outset, as between the Board and the Advisory Committee, has been fully respected and has worked as intended. This is a leading instance of the Consortium's success in designing for itself a constitution and set of procedures which have proved their worth.
Projected totals for 1996/97 show much the same size and breakdown of research-related expenditures as the figures for 1995/96. On present indications, these twin elements of stability within the AERC research programme are likely to be maintained: there are no plans or clear intentions either to expand the programme or to make significant changes in the balance within it, as between different modalities. Such broad continuity on the research side would go well with the general description of the Consortium given in the Secretariat's Draft Program of Work and Budget for 1996/97, where AERC is said to be "approaching maturity and a steady state level of operations".

Stability in this sense also appears consistent with the recommendations of the Thorbecke Report. The Report chiefly proposes an extension and regrouping of thematic research - an aspect that we deal with below, under the next heading - rather than an increase in the scale of the operation. True, it suggests the desirability of a somewhat longer research cycle, together with a stronger emphasis on building up new data sources, within the suggested new 'thematic nexus'; and over time, this might well add to the average cost per research project. However, any resulting increase in total programme expenditures seems unlikely to be great in proportionate terms. At the same time, the Report does not point the way to any reduction in overall expenditure on thematic research, since it comes out in favour not only of a new thematic subject area but also of "retaining the peer review system", which seems to imply maintaining the present scale of expenditure on the twice-yearly Research Workshops. Acceptance of its suggestions would thus have no radical implications for the prospective level of expenditures on AERC research, whether upwards or downwards, even though the scope of thematic research would be broadened.

Looking ahead, one possibility is that collaborative research will come to form a larger element within the AERC programme, and during our discussions in Nairobi the Secretariat expressed the hope that this modality could be further developed. However, it is unlikely for some time to challenge the dominance of thematic research, unless the latter were to be considerably scaled down. So far only one collaborative research undertaking, the project on regional integration and trade liberalisation, has reached a stage of virtual completion, with a series of volumes now about to be published. Although this project seems to have gone well, it remains to be seen how the published output will be received by the profession, and what influence the work may have more broadly. After completion and when the results can be assessed, there may be lessons to be learned from the conduct of this initial venture, which will no doubt be made the subject of an evaluation of its own.

Besides being still at an early stage of development, the modality of collaborative research is by its nature less closely attached to, less fully identified with, the Consortium; and involvement in a collaborativ
project makes different demands on the Secretariat from those imposed by thematic research, the more so since each project may well have its own participating agencies, sources of funding, and mode of operation. Over the longer term, if this modality were to grow substantially in relation to thematic research, the role and raison d'être of the Consortium would have to change accordingly: on the research side at any rate, AERC would evolve into an operation of a different kind.

The other two modalities, comparative research and non-thematic research, are relatively small in terms of total costs but occupy important niches within the field of macroeconomic research. The comparative research has the merit of costing much less than thematic research since it lies outside the Workshop framework. It usually involves seasoned researchers who have, in a sense, 'graduated' from thematic research, although this need not be the case. One acts as a coordinator and the researchers tend to follow an agreed upon common methodology in researching a given topic within their own country. Alternatively, the project consists of synthesizing research work already completed in each of the different countries. This helps build or cement collaboration and to give substance to the idea of a pan-African research community. It also helps throw useful light on the comparative experience of different countries in a given policy area. So far, four such projects have been initiated, on the topics of foreign exchange markets, capital flight, financial resource mobilisation and the use of CGE models in foreign trade analysis. There may be more scope for this research modality, especially in Francophone Africa but also elsewhere, as the thematic research program matures. There seems to be no strong case for rapid expansion at this time, however, and if the modality were to begin to rely heavily on new or relatively inexperienced researchers, there would be legitimate concerns about the lack of peer review in this modality compared to the thematic mode.

Non-thematic research projects are confined to five a year at this time. They allow a degree of flexibility in the coverage of research topics and could be used to test out the wisdom or desirability of moving into new thematic or comparative research areas. As such, they play a potentially useful, albeit very limited role in the overall programme of the AERC. We would support the current cautious and limited use of this modality and see no reason at this stage for putting more resources into it.

There are good reasons then, why for some time to come the thematic element will remain dominant within the AERC research programme as a whole. We turn now to consider this element, and some of the more immediate issues that it raises.
2. The Programme of Thematic Research

In viewing thematic research, we consider first the conduct of the programme, and then move on to broader issues of subject-matter. Under both headings, questions arise concerning the connections between research and policy, and the underlying aims of the programme.

(a) Conduct And Procedures

A central and distinctive feature of the AERC since its foundation has been the set of procedures governing the conduct of thematic research: these involve (to quote from a Secretariat document) "an integrated support system... featuring systematic peer review of proposed, ongoing and completed work; the provision of professional literature; regular contact with resource persons; and small targeted institutional grants..." Within this system, a key element is the twice-yearly research workshops which make possible not only the "systematic peer review" of research projects at successive stages but also a wider range of professional interactions. As noted above, the costs of the workshops to AERC at present make up approximately half of the total expenditure that can be directly attributed to the thematic research programme (including costs of publication).

The life of an AERC research project can be thought of as going through three phases: first, assessment of the proposal, with an eventual decision to accept or reject; second, for the proposals that have been accepted, the stages of drafting and revision up to the penultimate version, with participation in three workshops; and third, the production of a final draft which is then subject to external review before publication as a Research Paper. We comment first on the pre-workshop and post-workshop stages, and then on the conduct of the workshops.

(i) Research Projects: Initial Selection And Final Review

It is clear that the process of reviewing and appraising research applications is carried out with care and objectivity. It involves preliminary screening by the Secretariat, consultation in most though not all cases with appropriate resource persons, and a final judgement by the Advisory Committee in the light of the recommendations made by its Research Sub-Committee. The system works well, and this is widely recognised. The comments that we received from researchers were in general very positive, and appreciative in particular of the role played by the Secretariat. However, concerns were expressed by some interviewees about delays in responses or decisions. That there should be delays in some cases is no
surprising, given the pressures both on the Secretariat and on resource persons (who receive only a nominal fee for their advice); and the Secretariat is aware that problems may have arisen from time to time. All the same, we think that it is desirable to take measures to reduce the likelihood of undue delay. Hence we recommend that there should be more systematic attention by the Secretariat to deadlines, with a system of records which would ensure both that delays are promptly signalled and that resource persons are contacted whenever the time assigned to them for responding is about to run out.

At the final stage, a successful project typically emerges from its third and last workshop appearance with some further suggestions for change. The author (or team of authors) then produces a 'final' version, which goes to the Research Coordinator who may have a few further suggestions for change. The version that is agreed between author and Coordinator is then transferred within the Secretariat to the Publications Manager, who sends it for external review by a resource person not previously involved in the project. Only after a favourable recommendation has been made by the external reviewer, for which further changes in the draft may be a condition, does the Publications Manager arrange for publication as a Research Paper.

In the interviews that we held, two related aspects of these procedures were the subject of adverse comment: first, there were some complaints about the length of time that could elapse between completion of the 'final' version and eventual publication; and second, the suggestion was made in a few cases that the external review could be dispensed with, as not justifying the time and cost involved given the extent to which successive drafts had already been subject to comment and revision. As to this latter point, however, other interviewees felt that the external reviews should continue, as a useful further assurance of quality.

We would ourselves favour maintaining the requirement for a final external review before publication, since we think it should continue to be the case, and to be seen to be the case, that AERC standards for publication are fully consistent with international norms. At the same time, we think that, as in the case of delays in responding to submissions, it would be helpful if the Secretariat kept records of the time elapsing at each of the stages after the author has sent the 'final' version to the Research Coordinator, and if here also the external referees were reminded when necessary of deadlines. We recommend therefore that a system of recording elapsed time should extend to this final stage of the cycle of thematic research, as well as to the initial stage of reviewing submissions.
(ii) The Research Workshops

Since the workshops are such a costly item in the programme, they have been subject to a good many reviews and evaluations. So far as we are aware, all such reviews have concluded that the present system should be maintained: this has been true of the Goodwin-Knyode report, the Advisory Committee in its discussion of that report, and the more recent assessment by Professor Thorbecke.

As part of our inquiry, we discussed with the Secretariat some possible ways in which the costs of holding workshops could be brought down: these included (a) lower accommodation costs; (b) making the workshops regional, so as to reduce the cost of fares; (c) reducing the frequency of workshops to once a year; and (d) cutting out one of the three stages of attendance. As to the first of these possibilities, our impression is that the Secretariat is doing what it can: there is not much scope for further savings. One could envisage reducing the duration of the workshop, which would, effectively, reduce accommodation and related costs, by about $30,000 a day. There would be heavy costs associated with this, however, and even now it is difficult to fit in all that needs to be done, with resource people often working late into the night. Regional workshops would in our view be a mistake, since it is both a distinctive and an extremely valuable feature of the AERC programme that it brings together, within a common network recognized as such, economists across the whole of sub-Saharan Africa: it would be misguided to give up the ecumenical role for a small saving in travel expenditures (of some $84,000). Making the workshops annual rather than twice yearly would indeed bring a significant saving ($387,000) a year, provided that the number of days assigned to a workshop stayed the same; but it would substantially reduce the scope for professional interactions and probably lead to longer project completion times. Perhaps the least attractive of the options is the last: the saving in costs would be smaller than with (c) (at about $255,000), but the damage done to the programme would be less worrying. There is room for debate - and different views were expressed to us - as to which of the three stages should be omitted if AERC were to move down this path. Possibly the choice could be left in each case to the researchers themselves, in consulta with the Secretariat (for whom providing this advice would be an additional responsibility).

In our judgement, none of these economy measures gives promise of savings in cost which would war the corresponding loss in terms of the benefits that the twice-yearly workshops now provide - through review, expert advice and contacts, access to information and ideas, and stimulus to people and institutions. Hence we agree with the conclusion reached in earlier reviews, that the workshops should continue in much their present form. In arriving at this view, we like other observers have been influenced by the attendance at a workshop: we were highly impressed by what we saw at the Johannesburg meeting.
December 1995. We believe that the workshops have made, and are continuing to make, a substantial contribution to AERC's support for economic research, and the economics profession, in Africa. To this extent, going back to our terms of reference, we take the view that "the labour-intensive process that characterises the programme of research" has proved and maintained its effectiveness.

At the same time, we think that there are certain respects in which, within the present framework, the research workshops could be improved. We have four suggestions in particular, and while the last of these fits better under our next heading, since it relates to subject-matter, the other three can be raised at this point.

First, we recommend that the conduct of the plenary sessions should be improved, with the speakers made subject to a more effective discipline. In particular, presenters of themes or papers should be firmly instructed beforehand, and reminded when a session begins, (i) that they should stick to their time-limits, and (ii) that they should speak clearly and deliberately. One reason for this latter suggestion is that the French translators, who in any case are for the most part not economists, are often faced with an almost impossible task; and indeed, from what we saw, speakers at the plenary sessions may be unaware that Francophone economists are present. But the problem goes wider than ensuring that the Francophone participants are not effectively excluded, as may easily happen now: in any case, the workshops offer many variants of spoken English, and speakers should be aware of the need to take extra care that what they say is fully intelligible to all their fellow-Anglophones, as well as to the translators.

Second and more important, we felt from the sessions we attended that the group discussions, as distinct from the subsequent technical sessions for individual researchers, were sometimes less productive than they might have been because the presentation by the researchers left much to be desired. Two related problems are apt to arise: first, that the presenter goes on too long; and second, that he or she provides a summary of the paper, rather than focussing on the specific issues where advice is needed and which are suitable for group discussion. Where this happens, the usefulness of the session is reduced; and the tendency for the discussion to be run by the resource persons, with not much element of 'peer review', is increased. (By contrast, we felt that the technical sessions were well planned and conducted by the resource persons, and extremely productive). We recommend that researchers should be advised by the Secretariat, with brief written guidelines provided, on how to get the best out of the group sessions - stressing in particular that these are not conventional seminars; and that each of the resource persons who is chairing the group sessions should make it clear to the presenters that time limits are to be taken
seriously. In this, as in some other respects which we touch on later, there needs to be a broad view of what is involved in capacity-building and professional development.

Third, it would be helpful to the Secretariat if participants were given an opportunity to assess the content and conduct of the workshops, and encouraged to make constructive suggestions, with a view to improving them over time. We have found both researchers and resource persons to be very insightful and a systematic review of the workshops, at least once a year, is likely to be very fruitful. The review could easily be broadened to encompass all aspects of the AERC's policies and operations, thereby helping deal with one perceived weakness in the governance structure, to be dealt with in Section IV, that of being somewhat top-down in terms of decision taking.

In the workshops, as more broadly in the initial vetting and later external review of projects, the resource persons play a key role: and we were most impressed by the teams that we saw in action at Johannesburg. In this connection we have no actual recommendations to put forward; but we list a number of considerations, most of which arose in our interviews, relating to the choice and deployment of the resource persons.

(1) The total number of resource persons present at a workshop should not be too large, since otherwise they may dominate discussion in the group sessions to the exclusion of researchers. (In this connection caution should also be exercised in bringing into the group sessions outside observers who are neither researchers nor resource persons).

(2) It is important to try to ensure sufficient continuity within the team of resource persons, both in order to build on experience within the AERC programme and to minimise the risk of researchers being given conflicting advice.

(3) A number of researchers made the point that the most helpful resource persons had been senior scholars with extensive experience; and there were one or two complaints of cases in which insufficient experienced people had been brought in.

(4) One of the points to be taken into account in choosing resource persons, and keeping a good balance within the team, is policy experience: giving weight to this would help to ensure that policy relevance is given due attention in the programme.
(5) A few interviewees felt that in the choice of resource persons - as perhaps in other ways too - the AERC was too closely involved with the World Bank.

(6) As between the four thematic groups, it is important to ensure a consistent approach - for example, in setting initial acceptance standards. At the Johannesburg workshop, a meeting of all resource persons was held to review this issue, since a query had been raised about one of the groups. We were able to attend this meeting. We felt that it was useful for all concerned, and that perhaps such a meeting, to consider not just consistency but any topics of common interest, should become a regular feature of the workshops.

(7) We think that it is for consideration whether resource persons should be paid more for their services to the programme.

(b) Subject-Matter: Focus And Coverage

Since its inception the thematic research programme has concentrated on macroeconomic topics, though with an increasingly broad range of subject matter; and in handling these topics, there has been a strong emphasis on the use of econometric methods. Not surprisingly, questions have been raised about the justification for this twofold concentration, as also about the broader professional orientation of the programme and of AERC activities more generally. We consider these issues at three successive levels of generality: the use of techniques; the choice of subject areas for research; and the case for going beyond "mainstream" economics and even beyond economics as such. At each stage we touch on possible interactions between AERC research and the realm of economic policy, which are specifically dealt with under heading (c) below.

(i) The Emphasis On Techniques

None of the researchers that we interviewed complained that too much emphasis was placed within the thematic research programme either on econometric methods as such or on the use of recently-developed techniques - though there were suggestions, in particular from some of the Francophone researchers, that AERC should provide more basic instruction in quantitative methods. A number of appreciative comments were made about the technical workshops: for one interviewee, they had been "invaluable".
Concerns about undue preoccupation with the latest techniques, or with technical sophistication in itself, were expressed by a few of the resource persons. One of these referred to cases in which advanced methods were chosen, unwisely as it proved, by researchers who did not have a good ground in basic quantitative methods. Another resource person, however, remarked dryly that among the AER researchers the emphasis on techniques as such was "no worse than in the profession as a whole", while the point was also made that young researchers are naturally drawn to what are seen, by them and others, as new and challenging ways of treating issues.

Broadly, it seems to us that these are questions of professional judgement which have to be decided, with the thematic research programme, largely by the Secretariat and the resource persons: it is they who have the responsibility, subject to the broad directions given by the Advisory Committee, for advising and ruling on how particular topics should be handled and what methods are appropriate. There will always be a risk that researchers will become too preoccupied with new techniques as such; but the best way of dealing with this lies in careful selection of the team that is made up by the resource persons and the Secretariat leadership: within this team, and in both groups, there has to be a suitable admixture of what one might term professional worldly wisdom, founded in part on actual experience of the policy process. Here elsewhere, professional competence has more than one dimension, and this is one lesson that Secretariat and resource persons alike can convey to enthusiastic researchers.

If and in so far as AERC Research Papers are highly technical documents, this is bound to affect their readership, and the nature and extent of their influence on the policy debate. This is one aspect of the general issue which we take up under heading (c) below.

(ii) The Choice Of Subject Areas

A central and immediate question for the Consortium concerns the possible broadening of their research, so as to extend it beyond the areas of macroeconomic policy within which it has so far been largely confined. Since this question has been fully reviewed in the Thorbecke Report, the conclusions of which we broadly agree with, we deal with it only briefly here.

In our interviews, widely different views were expressed on the question of broadening. Among resource persons in particular, some argued that the macroeconomic areas were now 'played out', so the broadening was essential if creative momentum was to be maintained within the programme; this is the view of Professor Thorbecke. However, several of those who took sides felt on the contrary th
great deal of scope remained for fruitful research on macroeconomic issues, which in any case were constantly evolving and taking new forms. Besides this positive emphasis on macroeconomic themes, two cautionary arguments were also made in favour of what might be termed a conservative approach to changes in the thematic research programme: first, that AERC is still a new organisation, which for the time being should be concerned with consolidation rather than branching out; and second, that to broaden extensively would create unmanageable problems: "You can't build up the profession at large, it's too compartmentalised".

In part, the objections to radical change are met by the approach suggested in the Thorbecke Report. Accepting the Report's main recommendations would imply a gradual evolution within the programme, through which (i) a new subject area, focusing on questions of poverty and labour markets, would be introduced and developed, while at the same time (ii) the existing thematic areas would be rationalised and redefined, and reduced in number from four to three. There would still be four groups, but one would be new and the others more clearly specified. The pool of potential researchers would be somewhat widened, without greatly narrowing the opportunities of those who now comprise it but who did not wish to be involved in the new areas.

To proceed on these lines may well be the best way forward. It seems clear that the proposed new range of topics is of interest alike to policy makers and a wider public in African countries, to donor agencies, and within the international 'research community'. It should be possible to chart a course for the AERC which enables it to move with due care into these subject areas, without prejudice to the professional standards that it now applies and while maintaining an active and continuing programme of macroeconomic research.

However, a partial and gradual broadening of this kind would arguably still leave substantial gaps in the AERC programme. As noted above, the macroeconomic remit has been broadly defined: in effect, issues of sectoral policy are admissible as topics for research when they can be set in an economy-wide context. All the same, microeconomics remains largely excluded, and much of it would remain so under the Thorbecke reforms. Few of those that we spoke to viewed this as a problem: either they did not view the omissions as worrying, or they felt that too wide a diffusion of interests and themes would risk undermining the effectiveness of the programme. In the course of some Francophone interviews, however, stronger concerns were expressed; and one informed observer took the view that there are well qualified economists in Africa, at any rate in the Francophone countries, who are at present effectively excluded from the network by reason of their professional interests.

but that is a whole other story...
There are two distinct though interrelated aspects here: the possible neglect of worthwhile research issues, and the risk that capable African researchers will either become concentrated on macroeconomic issues, or barred from the AERC fold. Although we already noted we agree with the view that the AERC programme as a whole, and thematic research within it, should be subject only to incremental and well-considered changes, we think that these risks should be borne in mind. It may be that a collaborative research project with a comparative microeconomic focus - on infrastructure, for example, or experience with privatisation - might be a useful way of broadening the present scope of research, and extending the network, without attempting too much. Looking ahead, a further broadening of thematic research should not be ruled out - the more so, if this would strengthen the contribution that the AERC is able to make to policy debates: we have in mind here particularly the possibility of work on issues of regulation, privatisation, and the improvement of public sector efficiency. It is true that AERC's success to date has been due in part to the decision to focus on a limited area of research, and it may also be the case that the economics profession is "too compartmentalised to be supported as a whole". All the same, AERC's well-authenticated claim, and a large part of the justification for its existence, is that it has helped to sustain and rebuild the profession as a whole in sub-Saharan Africa. It therefore needs to guard against the possibility that it is itself increasing the extent of compartmentalisation.

On a related issue, one of the four thematic research groups, AT-Regional Integration, Trade and Trade Policy, has encountered a number of teething problems, the main symptom of which is a relatively high rejection rate of proposals. There is no single or simple reason for this, but the resource people involved point to the broad scope of the thematic area, the diversity of proposals, which sometimes cover subjects matter and techniques outside the expertise of the resource people, the general dearth in Africa of a body of research upon which to build proposals, and the relative lack of preparedness of researchers in this area relative to other research areas. We are persuaded by these arguments and wish to offer a modest proposal to help give AT a little more focus while, at the same time, addressing the question of the preparedness of participant researchers. We feel that consideration should be given to building a collaborative dimension into this area of the AERC's thematic research. Possible research topics and appropriate methodologies could be introduced at the Workshop, in plenary or in AT sessions, perhaps with interest researchers being invited specially for these sessions. A group of researchers would then be appointed work in cooperation on a similar theme in their own country. They would remain in contact with resource people and each other between different phases of the research and would meet together to present and discuss theoretical, methodological or empirical questions they might have encountered in the course of their work.
This slight adjustment to the modality of undertaking thematic research might solve some of the current problems in AT i) by narrowing down the focus of research in this group ii) by ensuring that resource people have the required expertise for adequate supervision and that they share that expertise with potential researchers from the very outset of the research endeavour and iii) by building a greater collaborative element than is usual in the thematic area. Careful thought would need to go into the selection of researchers invited to participate, and into the phasing of technical sessions, but these are details best left to senior staff. It goes without saying that not all proposals under AT would be handled in this way and researchers would still be eligible to submit individual thematic proposals, but this suggestion would, hopefully, ensure a strong central core of ‘guided’ thematic research in this area.

(iii) What Kind of Economics? Is Economics Enough?

Two related but wider questions, raised in both the Goodwin-Kayode and the Thorbecke reports, are (i) whether the focus of AERC economics is too orthodox, too ‘mainstream’, and (ii) how far there should be a conscious attempt, within the AERC programme, to introduce or take account of disciplines other than economics. As to the former aspect, Goodwin and Kayode felt that “Not only is the focus of AERC ‘macro’, but it is overwhelmingly respectable mainstream macro”. As to the latter, they noted the absence in the programme of “the other disciplines that often interact with macroeconomics”, and suggested that “this narrowness may be limiting”. These concerns were remarkably similar to ones raised in the 1990 evaluation of the AERC by Knud Erik Svendsen. He remarked that the research output at that time had ‘what some have called an IMF flavour’ (p.6), recounted arguments that ‘more of the research should be more descriptive and concrete’ (p.8), and mentioned that there was some debate about the need for more ‘political economy’ approaches to research (p.9). So the concerns of Goodwin and Kayode are not new ones.

We too interviewed some who shared these concerns, but they were very much in a minority. Nor did we find, or hear of, any evidence that the flow of potentially fruitful research proposals was being curtailed or diverted because the AERC sibling mechanism, and those who operate it, are too ‘mainstream’. Some might argue that this is merely a reflection of AERC’s established mainstream bias. There is no doubt, in our mind, based on what we saw and were told, that AERC has ensured intellectual coherence within its programme, and a well-functioning network of contacts with the international profession. Whether or not it has restricted in any serious way the scope for worthwhile research within its chosen areas is more difficult to pronounce upon because it may be that researchers with a somewhat different world view
simply do not apply for assistance. We did not encounter such researchers but, again, this may have been because our main contacts were through the AERC.

In any case, if the research agenda is broadened so as to include inquiries into poverty in Africa, along the lines set out in the Thorbecke Report, this is likely at the same time (a) to extend the range of economic ideas that are brought to bear within the thematic programme and (b) to involve, in some research projects at any rate, collaborative work with non-economists. Interestingly, the possibility of pursuing this new direction for research, which may well help to address what some perceive to be shortcomings in the operations of AERC, was raised by Svendsen six years ago (p.9).

All the same, we think that AERC should consider carefully ways of exposing researchers to ideas and ways of thinking - whether from within the subject but outside the mainstream, or from other discipline than economics - which differ from those that are typical of the international (and cosmopolitan) 'research' community of the economics profession, into which they are drawn through the Consortium's agency. We agree with Goodwin and Kayode that a window of opportunity exists here, through the plenary sessions of the research workshops. These are already used as a vehicle for raising and discussing broad issues of policy, with the participation of distinguished guest speakers from outside the network, a lot of thought goes into choosing both subject-matter and contributors for the plenaries. So far, however, and on present plans for future workshops, it is from the research community that the outside speakers have been drawn while the topics arise directly from the AERC research agenda. While this is generally appropriate, it need not, and perhaps should not, be the formula that is followed at every workshop, and in each of the few sessions that normally make up a plenary. We think it would be a good idea to introduce deliberately in each plenary a session of a different kind, featuring a speaker of distinction who does not fit into the common mould, and who is consciously outside the research community (though possibly an ex-ment of it). In particular, the opportunity could be taken to bring in senior policy-makers, who could speak first hand about the policy process, and give their own reflections, based on experience, concerning the practical utility of economic analysis and economic research. To introduce such fleeting glimpses of off-worlds and other viewpoints would be no more than a minor element in the thematic research programme as a whole: but if skillfully planned and handled, in the best AERC style, it could at the same time bring greater variety to the workshops' agenda and help reduce the risks of professional narrowness or solipsism.

If it were deemed desirable to broaden the research agenda or to provide for more eclecticism in approach to economic research, then this would need to be reflected, at the margin at least, in the select of resource people in future.
(c) **Links With Policy**

We discuss this central issue under three headings. First, we set out what are in our view the unavoidable limits on the extent to which, and the ways in which, the AERC research programme can expect or even hope to influence economic policies directly. Second, we suggest reasons why, even within these limits and without further changes, the influence of the Consortium is likely over time to make itself increasingly felt in relation to issues of policy. Finally, we make some suggestions for modest changes within the programme - changes that could increase the extent of policy relevance while respecting the limits that arise from the very nature of the research programme and the status of AERC.

(i) **Limits To Policy Involvement**

The underlying aim of the Consortium is to influence economic policies in sub-Saharan Africa - to make them better informed, and better judged, than would otherwise be the case. The chosen means to this is the promotion of locally based research; and the direct goal of AERC is thus "to strengthen local capacity to conduct independent research into problems pertinent to the management of economies in sub-Saharan Africa". Hence it is in the very nature of the operation that the research which is sponsored within the programme, and the institutions and relationships that are built up as a result of it, should be concerned with issues of economic policy, and linked in some way to the continuing debates on these issues.

Right from the start, the Consortium has kept the underlying goal in mind, and has tried to ensure that the research programme is attuned to it. This concern is reflected in the choice and treatment of research topics, in the various measures that have been taken to communicate the results of the research, and in sponsored studies of the policy process and the ways in which AERC could become more involved in it. Although under heading (c) below we make some proposals for modifying the present approach, in order to increase the extent to which considerations of policy are brought in, we would like to pay tribute to what has been done. Here as elsewhere, the AERC record is impressive.

Nevertheless, and even if policy relevance were to be given more weight than now, there are clear limits to what the AERC research programme can reasonably be expected to achieve in this respect. These limits chiefly arise from the orientation and proximate aims of the programme, which we think should not be changed.
The final output of the research programme, in all its modalities, is professionally acceptable published work - books, monographs and articles which have passed the test of systematic professional review. All these documents are planned, composed and published with an eye to a restricted and exclusively professional audience. They are influenced by, directed towards, and in the first instance read and reviewed by, members of the research community; and the measure of their success is, and has to be, the extent to which they achieve attention and recognition within that community. For most AERC research, and pretty well all the thematic research, the goal is publication in a well-recognised journal. Journal articles are the end-product. The whole research process is tailored to that end, while 'capacity-building' means in this context the acquisition of (1) the basic knowledge and skills, and (2) the wider range of effective professional contacts, which will enable researchers to become fully-fledged members of the research community and regular contributors to journals.

In this process, even though the subject-matter of the documents may relate to economic policy, direct communication with persons outside the research community is not a prime consideration, nor could it be. Journal articles are not written for lay people, and it is safe to say that only a small fraction of 'policy makers', and an even smaller fraction of interested persons within the wider public outside official circles could read a typical AERC Research Paper. Indeed, in many cases the interested parties within the economic policy arena, whether inside or outside government, are not for the most part economists. The situation is not peculiar to Africa, nor to economics: it is to be found in other disciplines, and across the world, in so far as the roles and preoccupations of scholarly communities and men and women of affair are different. Even when the research that is written for professional audiences can be understood by people outside the particular research community concerned, or when (as with the AERC Executive Summaries) efforts are made to make it more generally accessible, its usefulness for immediate policy purposes is often slight, since in general it is not designed to be timely, or to respond to the events and pressures of the day. It has its own time-table and gestation process, set by what the research process imposes and not by the current preoccupations of policy makers.

Hence there is an element of tension, of trade-off, as between the twin objectives - the direct objective, promoting locally-based academic research and building up the capacity and cohesion of the economic profession in Africa, and the ultimate objective, of contributing to a better informed policy debate in African countries. Taking a longer view, the two goals are more fully consistent, and we consider this aspect under the next heading. But in the short term, the tension cannot be eliminated - though it can be reduced, and has been significantly reduced within the AERC programme, by focussing research policy-related topics. The basic problem arises because there are two largely distinct audiences.
The choice of primary audience that AERC has made is in our view appropriate. From its inception, the Consortium has concentrated on rebuilding and strengthening the economics profession in sub-Saharan Africa as an integral part of the international research community. It has therefore seen the promotion of research that measures up to internationally recognised standards as the centrepiece of its activities; and its research programme has been designed and operated accordingly. We think that this emphasis was, and continues to be, the right one: professional rehabilitation remains the main immediate aim, and the research programme is the principal means to realising it. It would be wrong to modify the aim, or redesign the programme, simply because, in Africa as elsewhere, the characteristic end-product reflects the interests and criteria of the research community rather than those of a wider public. The limitations of the AERC research output, as a direct influence on current policy debates, should not only be recognised but accepted with equanimity, the more so as the same limitations apply elsewhere.

These limits appear as less constraining, and a matter of less concern, if account is taken of the indirect and continuing ways in which the Consortium's activities, past as well as current and prospective, can be seen to contribute to the policy debate. This is the aspect to which we now turn.

(ii) A Growing Influence For AERC

In considering how AERC activities may impinge on economic policies, and on the ways in which these are discussed and decided, it is a mistake, in our view, to focus too closely, on the one hand, on the current output of studies and Research Papers, and on the other, on a limited number of 'policy makers' identified as such. Both the products and the markets go wider than this.

As to the products, the AERC programme yields not just a flow of publications in journals and other scholarly outlets, but also a growing stock of professionals who from their AERC involvement become better trained, better informed, and more attuned to developments in other African countries and in the world as a whole. Increasingly, their contribution to the policy debate, both as individuals and as a community of professionals, goes well beyond their AERC-sponsored research output. Perhaps the main single creation of the AERC is this network of 'graduates'; and the network is growing not only in numbers, but also in seniority and experience: some of its members have already joined the ranks of the policy makers, and others will certainly follow.

As to the possible markets for their products, opinions and advice, the policy community is not limited to a small circle of well-placed persons in government departments and central banks. It extends -
increasingly - to business organisations, trade unions, civic and religious groups, the media, legislative bodies, and the growing number of policy institutes on the African scene. Again, writings on economic policy are not limited to journal articles or immediate official memoranda, but may include a range of other outputs, from newspaper articles to policy-related studies designed for a wider audience than the academic community.

Putting together the products and markets, it is possible to foresee that members of the network will increasingly assume a variety of roles and functions in the policy debate - as advisers, consultants, and publicists, both within governments and more widely. In few cases, perhaps, will this be directly linked to particular pieces of AERC-sponsored research: rather, it will result from the fact that, as a result of AERC participation, researchers will have become, and will be seen to have become, better qualified to participate in the policy arena. Among other things, staffing possibilities for government departments and other agencies have now been improved, while the network can be expected to provide also both staff and outside authors for the new policy research institutes. Even if the AERC were to close down tomorrow these effects of what it has already achieved would continue to make themselves felt over the years to come. In the course of time, it is increasingly through the agency of the network that the impact of AERC on policies is likely to be made - not just within official circles, but in influencing the general climate of opinion. At any given time, the current flow of AERC research publications could well be a minor element in all this; and if so, this would not at all represent a failure in the programme.

To say this is not to play down the possible influence of the research publications. There is evidence the some of these have had an immediate readership in policy circles; and here again, it is not just the immediate impact that counts. Not only the stock of well qualified researchers, but also the stock of AERC published studies, is building up. Already, and increasingly, the Research Papers are used as a source of teaching material in African universities, including within the CMAP. Moreover, research does not necessarily have to be commissioned for immediate and transient purposes to become relevant to policy; the issues of trade policy that are covered in the first AERC collaborative project are continuing ones, and the results of this and similar studies could affect the climate of opinion over a period, even though the direct readership among hard-pressed policy makers might be insignificant.

Hence the main impact of AERC research on policy should be viewed in broader terms than the immediate relevance of current research output: many other channels and mechanisms are involved. The longer-term and less direct influences on policy are varied, numerous, and hard to trace in full. To a considerable extent, they will make themselves felt through a process of natural evolution, and in ways that need not be...
often cannot be provided for within the AERC's plans and programmes. Generally speaking, the process does not require formal participation by the Secretariat, nor would it be realistic to think in terms of a degree of involvement which went much beyond what is now provided for. The limits to what is possible or desirable here will continue to be set by (1) the need to ensure that the Consortium is seen as objective and non-partisan, and hence not taking sides in policy debates, and (2) the fact that the Secretariat has available at present no more than a trio of full-time professional economists, all of them with heavy continuing responsibilities for the Consortium's core research and training activities. This means that initiatives outside these core activities, and involving the AERC more directly with questions of policy, have to be selective and judicious. In this connection, we would like to offer some words both of encouragement and of caution.

Under the former heading, we attach particular importance to the Senior Policy Seminar, as an imaginative venture by AERC which, if effectively followed up and developed, could make its own special contribution to the policy debate. One could imagine the Seminar establishing itself as a regular event, recognised across the continent as a useful and distinctive high-level policy forum, and becoming increasingly well known. This would be a major success for the Consortium, and a lot of time, thought and effort should go into trying to bring it about - and at this next stage, therefore, into ensuring the success of the second Seminar. One or two of the recommendations that we make below, under the heading that follows, bear on this subject.

The Senior Policy Seminar is one element in a varied set of Secretariat activities designed (1) to make the results and the policy significance of AERC research more widely known and (2) to contribute more broadly to a better-informed policy debate in Africa. In part, these activities come under the heading of 'publication and dissemination', as for example in the Executive Summaries, and the idea - which seems to us a good one - of instituting a Research Newsletter. Another important aspect, however, is participation in meetings and conferences of various kinds, of which a notable example is the National Policy Workshops which AERC has itself convened, or is now planning to convene, in a number of countries. Broadly, this portfolio of activities appears to be well-chosen. Within it, we think that there should be a continuing systematic build-up of AERC mailing lists, and that these lists should be extended to include people outside government and academic circles. The knowledge of members of the network can increasingly be drawn on in deciding what should be circulated to whom.

On the side of caution, we would make three main points. First, we doubt whether it is realistic to think of AERC running its own journal, or starting a new publication designed to be read by senior policy
movers. Second, we think that the case for AERC sponsorship of National Policy Workshops, as distinct from participation in them, needs to be looked at carefully in the light of other demands on Secretarial resources and of other possibilities for sponsorship. In particular, it may well be that meetings of this kind can be viewed increasingly as falling within the responsibility of the newly-established policy research institutes. Third, we think that it would be unrealistic to think in terms of AERC establishing an even more extensive network of well-defined institutional linkages across the continent. In particular, too much time and effort should not now go into trying to establish and codify relationships with the new policy research institutes: for the time being at least, these relationships can be kept informal, and left to the Secretariat to work out within the present framework of accountability and reporting.

In short, the AERC should continue to support, and to be involved with, policy inquiries and discussions that go outside its main basic programmes: hence there should be a continuing extension of contacts on the part of the Secretariat, both directly and through the network, and a readiness, as in the past, to sponsor or take part in selected policy-directed meetings. However, these activities need to be defined and conducted within the limits that are set, not only by the need to avoid policy advocacy, but also by the Secretariat’s own modest resources. Here as elsewhere, it should not spread itself too widely - the more so, since its influence will continue to depend on maintaining the reputation for all-round professional competence which it has so successfully established. Care should be taken to ensure the success of a limited number of AERC initiatives, including in particular the Senior Policy Seminar. Past success in handling a complex set of relationships should not now become the basis for over-commitment.

To sum up under this heading: the impact on policy of the Consortium should not be viewed solely, or even mainly, in terms of the direct relevance to ‘policy makers’ of current published research. Both the outputs of the programme and the prospective audiences should be seen in wider terms, and over a longer period of time. Increasingly, it is the indirect effects that will count, and to a large extent, these effects will be achieved through processes and mechanisms that need not be devised or operated by AERC, and with which, in many cases, it should not try to become formally or directly involved.

At the same time, we do not wish to conclude that there are no improvements that can be made in the current programme with respect to the handling of policy issues. We think that, while the present set of activities need not be either redesigned or greatly extended in order to strengthen the links with policy, some changes of emphasis would be helpful for this purpose. We now turn to this aspect.

(iii) Making the Links Closer
Our suggestions here are for changes, not so much in the programme, but in the way that it is viewed and presented. They are to be seen as a package.

(1) Policy relevance should be stressed in the choice and design of research projects, as also in workshop discussions of work in progress. This aspect has to be kept in the minds of resource persons.

(2) As already noted, policy experience, and 'feel', should be an important consideration both in the choice of resource persons and in making appointments to the top Secretariat posts. Without this, suggestion (1) is largely empty.

(3) Also as noted, policy makers should be brought into the plenary sessions as leading speakers. These should not normally be eminent academics spending an interlude on leave in an agency, and they should include non-economists. An attempt should be made to build up a short list of well-qualified speakers who represent disciplines other than economics.

(4) AERC should move further away from the misleading notion implied by the term 'dissemination', which suggests that finished products - in this case, research papers - are to be given a wider circulation in their existing form. It should be more fully recognised - though the Executive Summaries are a good start - that if the results of research are to be made interesting and usable to those outside the research community, they normally have to be redesigned for the purpose, in ways that will depend on the audience and the occasion. It should be clearly brought home to researchers that to recognise what is needed in this respect, and to be able to give prompt effect to it, are important dimensions of professionalism.

(5) Arising from (4), it should be more fully recognised that the purpose of a policy seminar is not solely, nor even primarily, to present to policy makers a given menu of research studies and results. Such awareness is a precondition for developing the potential of the Senior Policy Seminar (though to be fair, the success of the first Seminar suggests that in this connection AERC practice has been more imaginative than the language of its documents suggests!)

(6) Consideration should be given by the Secretariat to widening the catchment area of economic researchers, to those from trade unions, parliamentary research units, churches, NGOs, the parastatal sector and the private sector. It is not known how many economists are employed in these institutions and there may, indeed, be very few. But widening the net of involvement would help broaden the policy debate in Africa and help strengthen the organic link between AERC researchers and those shaping or seeking to
shape economic policy. It might also perhaps help bring more rigour into the research activities of organisations of civil society while, at the same time, help expose academics and researchers employed by government to the problems being grappled with by more grass roots organisations.

(7) In the workshops and elsewhere, it should be emphasised that the connections between research and policy are complex, varying, and often uncertain.

(8) The notion of 'capacity-building' should be defined, consciously and explicitly, in broader terms: for economists who wish or expect to be involved in policy, it goes well beyond the ability to write acceptable journal articles.

None of these precepts is revolutionary, and most if not all of them are already accepted by the Secretariat. But applying them more explicitly and more consistently would in our view help not only to strengthen the links with policy but also to ensure that AERC's principal aims were more fully realised.

One final note on the growing influence of the AERC on policy formulation. The Secretariat is steadily evolving as a clearing house for institutions, both local and foreign, wishing to hire the services of Africa economists in consultancy, advisory and academic positions. We examined no less than 33 of these requests in the years 1994 and 1995 from such institutions as IFPRI, SAREC, the Harvard Institute for International Development, the ADB, the IMF and many overseas universities. This suggests that these agencies have a high level of trust and confidence in the Secretariat and in AERC as a whole. The evolving role gives the Consortium an unusual degree of indirect influence on a wide range of research and consultancy projects which in turn are likely to influence economic policy in Africa. The extent of these inquiries is impressive and is yet another indicator of the success of the AERC.
THE TRAINING PROGRAMME

The training programme of the AERC has a number of distinct components, all of which share the common aim of improving the skills of young African economists. The largest of these is the Collaborative M.A. Programme which is assisting the training, within Anglophone Africa, excluding Nigeria, of about 100 students a year at the Masters level. This program extends institutional support to participating universities and financial and other supports to individual students. The Consortium also provides institutional support to African economics departments which are not participants in the CMAP. It finances a limited number of PhD Fellowships to overseas universities and a somewhat larger number of Thesis Research Grants for PhD students studying both in Africa and abroad. Finally, the AERC facilitates short term attachments to institutions overseas, most notably to the IMF.

The total cost of the Training Programme in 1995/96 was approximately $4.5 million. Of this amount, operating grants for participating universities accounted for $627,000 (of which $248,500 was an MA thesis grant component), start-up and institutional grants for $130,000, scholarships to MA students for $296,000, PhD research grants for $167,000, doctoral fellowships for $312,000 and the balance of $2.2m was accounted for by expenditures on course development and evaluation for the CMAP ($0.2m), on running the annual offerings of elective courses in Nairobi ($0.9m), on administering the training programme generally ($1.0m) and on building up a reserve fund ($0.4m). The CMAP accounts, directly or indirectly, for over 80% of the expenditures on training in the AERC.

1. Preliminary Review of the Collaborative M.A. Programme

The Collaborative MA Programme commenced operations in 1993 and was designed, principally in the first instance, to strengthen staff development in the Economics Departments of African universities. The programme was introduced in response to a grave crisis facing many African universities, a feature of which was a virtual collapse of post-graduate programmes. While the AERC initially sponsored the studies which ascertained the need for a strengthening of Masters programmes, it was reluctant to become involved in administering or providing training directly. Eventually, under pressure from donors and others, it agreed to work with existing departments of economics to develop economics programmes in Africa which would meet international standards, which would be relevant to local needs and which could be sustained from local resources. The number of students registered in the first year of the programme has
increased from 65 in 1994/95 to an anticipated 100 in 1996/97. It is intended to stabilize the intake at this level.

The CMAP is a collaborative arrangement in three respects: departments of economics able to offer core graduate courses in economics (macro and micro theory and econometrics), host students from other universities; all participating universities agree that students will sit most of their electives at the Joint Facility for Electives, offered in Nairobi between July and September each year and, finally, the programme is governed by an Academic Board whose membership is drawn from participating universities and the AERC Secretariat.

Since only two intakes of students have graduated to date, any evaluation of this programme can only be tentative and preliminary. Nonetheless, the strong impression we have is that it is remarkably successful. It is producing graduates who have been exposed to rigorous courses taught and examined at standards that are high in international terms. Their exposure to a combination of theory, quantitative techniques, and policy relevant courses yields immediate returns in terms of improving the quality of undergraduate teaching and lays the foundations for further graduate studies. As the program exhausts staff development needs at universities, MA students will be drawn increasingly from other institutions in both the public and private sectors. The enthusiasm for the programme from these employees is as great as that of universities themselves, suggesting that their needs are also being met or are expected to be met by the programme.

We have been impressed by the very high standards being maintained by the programme, in both academic and administrative terms, and we fully endorse continued support for the CMAP. What follows elaborates on this general assessment and also suggests a few areas of detail where minor adjustments might be considered.

(a) Academic Management of the Programme

(i) AERC and the Academic Board

Responsibility for the academic dimensions of the programme lies with an Academic Board whose membership is composed of Heads of Department of all participating universities, of which there are at this point in time. The AB elects its own Chairperson and the Manager of the CMAP in the AERC Secretariat serves as Secretary to the Board. The Board meets twice a year and is responsible...
approving all academic requirements for the programme, for the content and examination of all courses, for the appointment of lecturers and external examiners for electives, and for the setting and maintenance of academic standards to be met by Category B universities. It has four sub-committees which concentrate on specific aspects of these terms of reference; viz Core Courses, Electives, Institutional and Professional Development and Program Evaluation.

Minutes of the proceedings of the Academic Board are submitted to the Advisory Committee.

The AB appears to work very well, as will be evident in the assessment of academic performance of the programme which follows. Only one weakness has been brought to our attention; that of the relatively high turnover rate of its members. This is unavoidable given the short terms of office of heads of department and the many demands made of senior African academic economists. We were informed that the Secretariat has done a fine job so far of preserving the institutional memory of the Board and of briefing new members, so that possible problems of lack of continuity have been minimized.

(ii) Selection and Monitoring of Participating Universities

Universities participating in the CMAP qualify for Category A or Category B status. Entry into the former category enables economics departments to participate in the Board and to enrol their staff, with AERC financial support, as students in M.A. programs at Category B universities. Category A departments also qualify for institutional support grants, of between $20,000 and $30,000, from AERC to help improve the quality of their undergraduate programs. Entry into Category A is determined by the quality of undergraduate teaching and the availability of qualified staff in economics. The AERC monitors this carefully by following the performance of their graduates in the Collaborative M.A. program. Thirteen African universities now participate as Category A institutions.

There are three criteria for entry into Category B status (which is, in effect, the degree awarding status within the CMAP); the availability of sufficient numbers of suitably qualified staff, the projected intake of a sufficient number of students over the coming four year period and the continuous operation of an M.A program over a number of years before applying for entry. Successful departments qualify not only for the institutional support available to Category A departments, but also for Start-up Grants of up to $80,000 to purchase equipment and supplies and grants to finance recurrent spending associated with running a successful graduate program. These latter consist of Annual Operating Grants (to a maximum of $6,000 for each Category A student and $4,000 for each Category B student) and Thesis Year Grants ($6,000 per
Category A student and $3,000 per Category B student). Entry into Category B status carries with it therefore, substantial financial support.

To date, only seven universities have qualified for Category B status and recently, two applications (from Makerere and Zambia) were rejected. It is a very positive reflection on the Academic Board that it is able to take such difficult decisions and to do so in a way which has not alienated the university department whose applications were rejected. On the contrary, Makerere has responded to the decision by making plans to adopt the core syllabus of the Collaborative MA in its own MA Program and they see this as strengthening their program. A good deal of the credit for the diplomatic way in which such a sensitive issue has been handled must be given to the AERC Secretariat which undertakes the evaluations for submission to the Board and which carries a great deal of credibility in setting and maintaining academic standards.

The on-going monitoring of standards at Category B universities takes the form of evaluating the performance of students in the Joint Facility for Electives and the evaluation of the content, teaching and examination of the core courses by external examiners. To date, no university has lost its Category B status and our reading of external examiners' reports confirms that all are generally performing up to standard, with only the occasional, remediable problem that one expects in all universities.

Each Category B Department of Economics is supposed also to establish a Liaison Committee consisting of departmental and other university officials, representatives of the Ministry of Education, key economic ministries and the central bank, and representatives of the private sector. The purpose of these committees is to monitor the content of the department's masters programme and the performance of its students, with a view to ensuring that the programme is of high quality and responds to national needs. They were also supposed to generate local and donor support for the programs. These committees have not been a huge success and only a couple are operational. On reflection, it is difficult to see busy officials and business persons giving the MA program any degree of priority, especially as the responsibilities of the Liaison Committees are couched in such general terms and their means of influencing the program are constrained. More thought needs to be given to whether or not the committees can play any useful role in the program, beyond public relations. This issue will be addressed below.
Category B universities agree to offer three core courses following common course outlines and reading lists. After successfully completing the core, students then attend the Joint Facility for Electives, held in Nairobi between July and October each year, and there choose two electives. Category B universities agree to recognize courses completed successfully at the JFE in fulfilment of their M.A. degree requirements. The structure of the program, the content of the core courses and the selection of fields for and the course content of electives are approved by the Academic Board. The AERC commissions experts to develop courses which are appropriate from the point of view of analysis and policy relevance in the African context. It organizes workshops to review the experience of teaching both the core courses and the electives and to consider revision of course content. The content of core courses was reviewed and revised at a workshop held in August 1994 which brought together those who had taught the courses and other specialists, both African and non-African. In July 1995, a similar workshop was held to revise the content of three electives, Policy Analysis and Economic Management, International Economics and Environmental Economics. Participants also drew on comments and suggestions made by external examiners. There are plans to review other electives next year.

The process of determining and revising course content in the light of experience seems to be a very sound one, drawing on both local and non-African expertise. Minutes of the workshops suggest that changes to course content are made only after issues are discussed carefully and thoroughly, including suggestions of external examiners, and this is as it should be.

The AERC has developed eight courses offered as electives. Monetary Economics, Public Finance, International Economics, Industrial Economics, Agricultural Economics, Labour Economics, Environmental Economics and Policy Analysis and Economic Management. In response to student demand, two more will be added; Advanced Econometrics and Health Economics. These seem to be very sensible additions, the former because it will be used by students intending to pursue an academic career and the latter because of the importance of health issues in public policy.

Students have a wide range of options, therefore, subject to constraints of timetabling, which the AERC tries to minimize by planning the timetable on the basis of declared student preferences for courses. Students from Botswana have expressed a desire for Financial Economics to be offered as an elective but AERC has no plans to do this at this stage. It may be worth pointing out that Botswana is the only
Category B university which does not require students to study electives additional to those offered in the JFE. Rectifying that anomaly might enable the university itself to offer its students this particular elective.

Once they have completed their electives, students return to their degree granting universities to complete a thesis which is also examined by an external examiner.

By international standards, five or more courses and a thesis is a very rigorous and demanding set of requirements for an MA degree and, accordingly, it takes somewhat longer to complete this program than it does equivalent MA programs in Europe and North America.

(iv) Selection of Students

The AERC plays only an indirect role in student selection, requiring a minimum of an upper second to qualify for entry and successful completion of core courses before entering the JFE.

It has been concerned, however, about the low and falling enrollment numbers for women. In 1993, 9 out of 58 students in the JFE were women; in 1994 only 7 out of 61 and in 1995 only 8 out of 84 were women. The proportion of women has fallen, therefore, from 16% to only 9%. The AERC has attempted to address this under-representation, which is also an issue on the research side of its activities, by holding a special workshop on Gender Issues. The conclusion of this workshop was that the basic problem is back to the secondary school and undergraduate levels with women avoiding math and economics. Of women actually enrol in Economics their performance is at least as good as that of men but there are gender specific obstacles to women pursuing post-graduate training: financial, accommodation, child care, and lack of women professors being some of these. The AERC cannot be expected to remedy all these problems but it has agreed to 'design limited catalytic interventions' and, accordingly, has awarded Scholarships to all females who applied and who met the necessary qualifications. It has adopted gender balance as one of its selection criteria and makes explicit mention of this in its recent promotional materials. More concretely, it has taken a number of steps, including the provision of medical care, to assist pregnant student studying for the electives and has persuaded McGill University to make provision for care in its ACRE-supported MA in Economic Policy Management.

While recognizing the limited mandate of the AERC one wonders whether or not there is more it could do to promote capacity building among female economists. One person interviewed thought that it ought to invite representatives of Ministries of Education to subsequent workshops on the question to
their assistance in dealing with structural obstacles encountered by women at earlier stages of their education. This idea is worth pursuing but one could also envisage AERC being a little more activist than this, perhaps awarding small annual scholarships to women students entering undergraduate Economics programs, arranging for remedial math programs (perhaps even taught by women where this is the choice of students and where it can be arranged) for women completing their first degree, encouraging women to teach core courses and arranging for them to teach elective courses, where possible, and ensuring that attention is paid to gender issues, where appropriate, in core and elective courses.

(v) Selection and Monitoring of Teachers

Selection of teachers for the core subjects is the responsibility of Category B universities but monitoring their performance is not left to the universities alone. AERC funds the external examiners of core courses and both the Secretariat and the Academic Board review examiners' reports. The AERC has also requested Category B universities to organize student evaluation of lecturers of core courses but that is not always done.

Selection and monitoring of those teaching electives is a responsibility shared by the collaborating universities and AERC. Advertisements are placed widely throughout Africa and elsewhere and applications are vetted by the Secretariat with formal decisions being taken by the Academic Board. Monitoring of the performance of teachers is achieved by the use of external examiners and by student evaluations. Examiners' reports and summaries of student evaluations are submitted to the AERC and Academic Board and are considered in the appointment of teachers in subsequent years. Teachers and their Heads of Department (where they are staff members of collaborating universities) also receive the external examiner's report and the summary of teaching evaluations. Only the Secretariat of the AERC receives all the detailed comments from students.

This system of appointment and monitoring of teaching staff has been given a great deal of thought and seems to work very effectively. It might, however, be tightened up slightly to ensure that all exams of core courses are sent to external examiners prior to the exam being sat and by AERC being a little more insistent on the evaluation by students of core course teaching. Perhaps the latter should form part of the legal contract between the AERC and Category B universities.
(vi) AERC’s Contribution to Improving Teaching Quality

The careful vetting of Universities, the development and refinement of common core courses and joint electives, the selection of the best available teachers for the electives and the monitoring of them by both external examiners and students, can all be said to contribute to improving the quality of the teaching of economics at the graduate level in Africa. Beyond this, however, a major objective of the Collaborative MA Program is the production of the next generation of university lecturers and, again, this should further improve teaching standards over time.

In addition, the AERC Secretariat has paid some attention to techniques of teaching. In the August 1993 Workshop on Core Courses, sessions were held on small group teaching techniques, led by staff from the Faculty of Education, Makerere University. Since university lecturers are the only teachers at any level not required to learn how to teach or to demonstrate that they have any ability to teach before being hired, the AERC’s initiative in this direction is to be commended. It was not repeated, however, in the 1994 workshop and nothing similar has been offered to those teaching electives. The AERC might wish to do more in this area.

There is a conviction among some of those involved in teaching the program that there is no scope for innovative approaches to teaching. Thus, in the July 1995 Workshop on The Teaching of Electives Courses, it was stated with regard to the teaching of International Economics that ‘the group observed that class size and time constraints did not allow the use of non-conventional approaches’. Furthermore, in the 1994 Core Courses Teaching Methods Workshop, there seemed to be general agreement that ‘even though an active method of teaching was desirable, the current syllabus of the core courses is so crowded that only a passive method of teaching (lectures only) was feasible’. Both these statements are contestable and are at odds with current thinking on pedagogy. There is much that can be done to involve students more actively in the learning process and quite creative approaches to classroom teaching and to in-class and out-of-class assignments, including both individual and group work, have been developed in recent years. Some, but by no means all, of this, involves computerised quantitative assignments or macroeconomic simulations. AERC might wish to investigate these developments in teaching techniques and facilitate exposure to them by, at least, faculty of Category B universities.
There is some overlapping of the Collaborative MA Program with the research arm of the AERC in that most teachers of the core courses and joint electives are beneficiaries of AERC research support, past or current. AERC research reports are finding their way into the syllabi of MA courses and one can expect this to become increasingly the case as the backlog of research reports is addressed and as study findings are published in journals.

There are also a number of linkages between the MA program and the policy making process. Quite a large proportion of students, over one third of the 81 attending the 1995 JFE, are employed by government ministries and might have some connection, however tenuous, with the policy making process. More directly, several of the teachers are known to serve as policy advisors to governments and international agencies and this may well be reflected in their teaching. These synergies between research and teaching and policy making could be strengthened by inviting policy makers to address students at the JFE, and the Secretariat has already initiated public lectures there which could be given a policy slant. In this way, policy makers too would be further exposed to the work of AERC generally while students would benefit from exposure to current policy issues and possible ways of addressing them.

There is, perhaps, another way of building such synergies which might, at the same time, go some way towards solving the problem of how best to involve possible employers of graduates in the activation of Liaison Committees. This is by requesting public and private sector representatives on these committees to suggest possible thesis topics for MA students and to facilitate the necessary research by providing access to data, files etc. Since the theses involved are more in the nature of extended research papers, and since they are completed normally well within a year, they might well be capable of addressing economic issues of topical concern. Such an approach would give public and private sector members of the Liaison Committees at least one concrete reason for attending meetings. Theses would still need to meet acceptable academic standards and be supervised in the normal manner but scope would remain, within these academic parameters, for addressing some of the pressing matters facing decision takers, be they of a theoretical, policy or practical nature. The AERC might wish to suggest this be attempted in one Category B university on a trial basis with a view to applying it more generally if it proves successful.
Extending Geographic Coverage of the Collaborative MA Programme

In the past, the AERC has been reluctant to offer the Collaborative MA to universities other than those of Anglophone Africa, outside of Nigeria. Instead, it has opted to play a catalytic role, assisting Francophone African universities and those of Nigeria in developing appropriate programmes along the same lines but with each having its own government and management structure. AERC involvement has taken the form of drawing on the expertise of its senior staff and on its financial resources to fund the planning and preparation of the programs. In March 1995 it also helped form the Committee of African Region Graduate Programmes in Economics (CARGPE), which will provide a forum for consultation and cooperation between the regional programmes. Given the size of these masters programmes and the heavy commitments already shouldered by the AERC, limiting the Consortium’s role in this way seems eminently sensible as far as Francophone Africa and Nigeria are concerned.

It appears that the Wangwe/Kassim report on South Africa envisages AERC playing a similar, catalytic role there. Senior staff of AERC feel that they can manage the extra work involved and see it as important contribution to capacity building which will draw on accumulated skills and experience. We would endorse these views and encourage AERC to become involved in helping develop an appropriate collaborative MA programme in South Africa, one which would be delivered by an organization based in that country and which would cooperate with other regional programmes through the newly formed CARGPE. We note, however, that the academic community in South Africa is quite fragmented and cooperation between universities may not be accomplished easily or quickly. We note also that some of the ‘black’ universities have expressed a preference for joining the CMAP. In the circumstances, the AE might wish to consider designating one or two of these universities as Category A universities, allowing a limited number of their staff to register in the CMAP in existing Category B universities. This could be justified as an interim arrangement which would be terminated once a national scheme was operational. The main emphasis of the AERC should remain, however, that of helping build the national programme.

With the possible exception of this interim arrangement for South Africa, the existing geographic limitations of the CMAP should be retained. The programme should not be extended to cover Nigerian Francophone Africa as this would overtax the managerial capabilities of AERC and would undermine its original intent of building up regional capabilities.
While an assessment of how well the Collaborative MA Program is administered must, inevitably, be somewhat impressionistic, it is our belief that it is running exceptionally smoothly. The Coordinator is well organised, efficient and reflective and is supported by able staff. A flexible approach to management has been adopted, one which seeks feedback on performance and adjusts when necessary. Attention has been given to building up operating systems which should ensure continuity should there be turnover in staff and performance is closely monitored. All in all, the program appears to be very well managed and both teaching staff and students support this view.

Financing Institutions, Needs and Controls

There was unanimous agreement among the faculty and students we met that AERC funding had transformed the facilities in Category B departments, providing access to facilities - teaching aids, computers, copying machines, fax machines, paper and even chalk - etc. that are often taken for granted elsewhere in the world. Funds have greatly facilitated field research and have freed up senior staff for teaching on the graduate program by allowing part-time teachers to be hired for some undergraduate courses.

Funding of Category B universities has indeed been generous, to the point where it has exceeded the absorptive capacity of the recipients. Accordingly, the Secretariat has gradually reduced both Annual Operating Grants (AOGs) and Thesis Year Grants (TYGs), in the light of experience. The maxima for AOGs have been reduced from $9,000 to $6,000 for Category A students and from $6,000 to $4,000 for Category B students and the intention is to reduce them further to $5,000 and $3,000 respectively. The maxima for TYGs have been reduced from $4,000 to $3,000 for Category B students, with the intention being to drop them to $2,000, while those for A students have remained at $6,000, with a plan to reduce them to $5,000. The maximum potential impact of the sum total of all these reductions on the cost of the program would be in the region of $0.5 million once the program is operating at full capacity so the savings are very significant.

Some Category B universities have challenged the notion that they are having difficulties absorbing funding claiming, instead, that they are merely being prudent and phasing in expenditures slowly. The AERC Secretariat disputes this and points to consistent underspending at year end and to the tendency of some departments to 'pad' their budgets by including payments to students and to university administrations for
'overheads' which were not supposed to be funded by AERC. Even then, they emphasize, there are still unspent balances at the end of the budget year.

Students from Category B universities felt that the AERC assistance had made a huge difference to their programmes in terms of access to books, periodicals and computers. Students attending B universities from A universities complained about the poor facilities and access to materials in their home universities and asked about the possibility of AERC assisting them further. The AERC did provide institutional support to seven of the 12 Category A universities between 1993-95, totalling some $138,000. The amounts involved are relatively small compared with start-up grants for Category B universities, and the returns seem to be very high. Perhaps more resources could be devoted to this and related areas of need to assist Category A universities in 'graduating' to B status.

There were also some concerns among Category B universities that budgeted maxima may be insufficient to allow annual upgrading of libraries. The Secretariat contests this, pointing out that actual allocations of funds are not based on standard amounts per student but on detailed budgetary requests, justified item by item, and the provision for books will continue. The per student amounts are simply maxima within which detailed budgets must fall. They stress also that all departments, whether or not they are in the collaborative arrangement, are free to apply for special institutional support grants on the basis of demonstrated need.

AERC monitors Category B universities closely to ensure that monies are spent according to budget, even requiring them to maintain separate accounts for AERC funds with their own disbursement procedures. AERC staff visit campuses and perform on-site inspection to verify purchases of equipment, books etc. University administrations have, on occasion, objected strongly to having to account separately for AERC funds but, in the straightened circumstances in which most universities find themselves today, these controls appear to be eminently reasonable in terms of satisfying AERC and donor accountability.

(ii) Financing Students

The level of student support, in the form of scholarships for students from Category A universities attending Category B universities, ranges from $4,000 to $5,500 per year, depending upon the cost of living. These are also adjusted in the light of actual experience, with some e.g. Ghana, being raised in 1994/95 and others e.g. Botswana, being reduced slightly. Students did not complain about this level of support: on the contrary, they asked whether it might be extended to some students from Category 1
universities who have failed to obtain sufficient financial support from elsewhere. In reality, some students from Category B universities also receive scholarships which are rolled into the Annual Operating Grant. The AERC is discouraging this practice as it conflicts with the requirement for the MA program to be, ultimately, self-sustaining. In the coming year, there will be sharp reductions in annual funding for this purpose forcing either more local financing or, in some cases, reductions in student intake.

(iii) The Joint Facility for Electives

Both students and teaching staff spoke in glowing terms about how well the arrangements for the JFE are organised and about how suitable the facilities are for living and studying. The KCB facilities at Karen are exceptionally well maintained and the AERC Secretariat plans its requirements out there in the most minute detail. These plans, with exact dates by which specific actions must be taken, are carefully specified in annual operating reports together with a review of any problems encountered in execution in the previous year and what might be done to avoid them in forthcoming years. These documents are meticulous in laying out the logistics for bringing together about 100 staff and students from various parts of Africa, housing, feeding and providing for classroom instruction, health care and social facilities for a three month period. They testify to how well organised the program is, and they would permit new staff to see at a glance the precise nature of tasks to be performed in preparation for upcoming programmes.

The relative isolation of Karen, which makes it an attractive place for intensive studying does cause a few problems for the social life of lecturers but AERC has attempted to solve the transport problems involved and, in any case, lecturers do not consider this to be a major problem.

(iv) Books, Articles and the Library

The AERC Secretariat pays particular attention to the literature needs of both staff and students in the JFE on the grounds that no time should be wasted looking for appropriate materials. Lecturers submit their requirements for textbooks and articles to the AERC and, with the cooperation of the AERC library, all reading materials are purchased or photocopied in time for the JFE. A small library is maintained within the KCB library at Karen for the exclusive use of JFE participants and this houses multiple copies of all prescribed and recommended readings. Students speak very highly of this arrangement as it provides them with unparalleled access to current literature, maximising the time available for studying.
Both lecturers and External examiners had nothing but praise for the quality of the administration of the AERC in arranging travel, accommodation, reimbursement of expenses and payment of remuneration. The Secretariat has had no difficulty finding sufficient qualified persons to undertake these tasks and there appears to be strong interest in teaching the electives, even though the remuneration is not especially generous.

Cost Effectiveness Relative to Overseas Programmes

It is not possible to determine with any precision how cost-effective the CMAP is in comparison with the alternative of sending students abroad, because we have no reliable data on the cost of offering the same program at Category B universities. What can be said is that the AERC portion of the costs is well below what donors would pay if they were willing to finance the same number of students overseas. The AERC estimates that a two year overseas MA program costs approximately $50,000 per student. This is consistent with the $77,000 Canadian per MA student incurred on the University of Manitoba/Botswana programme. At the moment, the CMAP costs are approximately $32,000 per student and will decline to about $25,000 as start-up costs come down. We have already noted the tight management of operations and related grants so that cost-effectiveness of the CMAP is monitored closely and is improving with experience.

Perhaps more importantly, it is unrealistic to think that donors would be prepared to fund 100 MA Economics students a year to study overseas, so the comparison is misplaced. Furthermore, the capacity building aspects of the AERC extend well beyond the individual recipient of the MA degree, and include institutional supports of a kind that overseas programmes cannot provide. The importance of these cannot be overemphasized in the context of the crisis situation in which so many African universities now find themselves. Finally, it is unlikely that overseas programs would be tailored as closely to the needs of local personnel as is the CMAP, hence the products are sufficiently differentiated to warrant caution in making comparisons of cost.

We are persuaded that offering the CMAP within Africa was a sensible move which has enabled most students to obtain graduate education of a quality and relevance which would not be available to them otherwise. We are also persuaded that the CMAP provides invaluable institutional support to Category A and Category B universities.
The AERC initiated the CMAP on the clear understanding that graduate programmes in Economics would have to stand on their own feet ultimately. The Secretariat feels, correctly, that some progress has already been made in this direction. Thus, the number of students funded by other than AERC Scholarships will increase this coming year to 75 compared with 45 in 1993/94. This demonstrates the commitment of sponsoring institutions to the programme. Category B universities already pay the salaries of those teaching core courses and provide them with housing. They also handle selection of students themselves, administer examinations and are responsible for procurement and the efficient running of libraries.

There is also a synergy between the CMAP and other AERC training programmes which seek to strengthen the teaching and research capabilities of Category A and B universities. If successful, these other programmes would eventually allow the JFE to be closed and replaced by course offerings within departments themselves. We now turn to examine these.

2. Support for PhD Training

(a) PhD Thesis Research Awards

The AERC offers about 15 thesis research awards a year to African PhD students as part of its capacity building efforts. Successful applicants must be affiliated with an institution in Africa connected with teaching, training, research or public policy and the intent is that the students will return to their home institution on completion of their studies. In their application for financial support students must include a fully developed research prospectus, a letter of support from their home institution and their thesis supervisor and a detailed budget. The thesis topic must lie within the discipline of economics but not necessarily within the areas of AERC thematic research.

The applications are processed by the training arm of the Secretariat with assistance from the research staff and, on occasion, outside resource people. They are reviewed from the point of view of their objectives, methodology, familiarity with relevant literature, policy relevance and expected results. In this respect, the AERC is providing an additional advisory service to students (and their supervisors!). Proposals which meet AERC's criteria and are considered reasonable are submitted to the Training Sub-Committee of the Advisory Committee. On occasion, the Sub-Committee has turned down proposals on grounds, for instance, of being too abstractly econometric.
Students from all over Africa are eligible for these grants and about 30% of recipients have been Nigerian and 17% from Francophone Africa. Of the 83 grants awarded between 1988 and 1994, six were received by women. The average grant is just over $9,000 and the main uses of the funds are travel back to Africa and/or to the field for research, the processing of data and the preparation of theses. Between 1993 and 1995, a total of 35 grants were awarded and in 22 of these cases, the degree awarding institution was situated in Africa and all but three of the students were sponsored by African universities. Since funding for PhD research is not otherwise available in most African universities, it is not difficult to appreciate why representatives of the African economics departments we interviewed were so enthusiastically supportive and professors and students in other disciplines so envious of this initiative. But such funding is also very difficult to come by in Europe and North America, and the thesis research grants make it possible for students to undertake research in their home continent.

The grants also appear to have had an impact on the research activities of recipients beyond their period of study; as over a quarter of them have now joined the AERC network.

To this point in time, there has been no binding resource constraint on the number of grants awarded the number of acceptable proposals has fallen within the amount budgeted for these awards. This can be expected to change in the not too distant future as some of those successfully completing the CM progress to doctoral studies. At that time, the AERC might have to narrow down the range of eligible research fields or reconsider the balance between this form of assistance for PhD students and a second form, the PhD Fellowships, to which we now turn.

(b) **PhD Fellowships**

The AERC offers a limited number of Fellowships for those pursuing PhD studies, under which support is made available for a period of up to four years. By 1995 the total number of fellowships awarded was 11. The annual cost of this assistance is now about $312,000 a year and all recipients are studying overseas universities. Applications are processed by a panel in Nairobi which interviews those who are short listed. Their recommendations are forwarded to the Sub-Committee on Training.

Fellowships are considered to be an important aspect of staff development for African universities. They are open to all universities in Sub-Saharan Africa but to date no Francophone applicants have been successful.
We detect some ambivalence among Board members about the desirability of financing fellowships because of their cost and because they involve a commitment which extends beyond the normal budgeting period. This may explain the cautious approach taken by AERC in extending this aspect of PhD support, an approach that we would endorse. To date the Consortium has not faced any immediate and binding resource constraints so that the modest funding of this aspect of staff development has not undermined the ability to fund other aspects of training. Secretariat staff inform us that should the funding situation become more tight in future, as is likely to be the case, then the funding of fellowships would not be given a high priority within the Training envelope. We would support this judgement.

(c) **A Regional Collaborative PhD Programme?**

The AERC has commissioned a number of studies 'with the ultimate objective of introducing a PhD programme in SSA drawing on the experience of the Collaborative MA Programme both in terms of academic content and material support' (Annual Report, 1994-95, p.15). We have had access to one regional report, that on Eastern and Southern Africa by Professor M.S. Mukras, and to a draft of some preliminary proposals by Jeffrey Fine, the overall coordinator of the studies. Both of these suggest that there is strong support for introducing a Collaborative PhD Programme and that the Board of AERC will soon have to deal with a proposal to sponsor such a programme, building on the accomplishments of the CMAP. At this point in time, though, there is no concrete proposal for us to examine and until a final report is prepared containing a clear delineation of the options and preferred way of proceeding, it would be inappropriate for us to express any firm view on the desirability of this initiative or on how best it might proceed. At the same time, we recognize that this is the biggest single policy issue likely to face the Board in preparation for Phase IV of the Consortium, one that would have a profound impact on the AERC budget, senior management staff and general structure of governance, and we feel that this behooves us to offer, at least, some general observations on the possibility, based on what we have read and on the interviews we have conducted.

There are a number of good reasons why the idea in general should be given serious consideration, whatever specific proposal is made by the consultants:

First of all there are strong indications that the demand for PhD graduates in Economics in Sub-Saharan Africa is large and will remain so well into the next century. Professor Mukras has estimated a demand, over the next decade only, for 245 graduates in five eastern and southern African countries alone. At the moment these countries have only 51 students in PhD programmes, well over a half of these in universities
outside the continent (Mukras, 1995, pp61ff). This reported demand may be a little on the high side, since universities account for no more than 112 or 46% of the total, and one would expect them to be the single largest employers of PhD graduates. This suggests that the methodology of assessing demand may be prone to inflation or exaggeration by some employers who are subject to a misguided attachment to 'credentialism'. Nonetheless, there can be no denying that a demand is there and that it greatly exceeds the current capacity of African institutions to meet it.

Second, there is strong support among African academic institutions and among African professors of economics for the idea of a collaborative PhD programme along the lines of the CMAP, while a number of donor institutions are favourably inclined to it. This support stems partly from the evident success of the CMAP from the point of view of both employers, who speak favourably of the improvement in the capabilities of their staff who have successfully completed the CMAP, and graduates, who uniformly praise the quality of education and the financial and technical supports they received while enrolled in the CMAP. On this, Professor Mukras' report is entirely consistent with our own findings. Both employers and graduates recognize the need for further training to the PhD level and see the CMAP model as an appropriate one for the more advanced degree. The support also stems in part from a desire of African universities to see more donor resources invested in upgrading African educational institutions. While any recommendation to proceed is likely to involve, at best, funding only a small handful of what could be termed 'Category C' universities, with a staff sufficiently strong to permit offering course work at the PhD level, the perceived benefits of such institutional upgrading are deemed to be continent-wide.

Third, a number of African universities currently offer PhD degrees in Economics, albeit usually modelled on the British approach i.e. by thesis only. There is a belief that the quality of these degrees could be enhanced by the introduction of course work offered in some collaborative fashion with funding support from the AERC.

Fourth, sending students overseas for their PhD training is very expensive, although one might want to retain some overseas component to a regional collaborative program. Such a programme could well be more cost-effective than sending students abroad for the whole of their programme. Perhaps more decisively, the number of scholarships for study overseas has fallen noticeably in recent years, so that improved local program may be the only feasible way forward in future.

Fifth, some would say there are sound reasons, other than financial, for not wanting to send PhD students out of the continent for their studies. Many students simply do not return home once they have complet
their studies. Where they do return, questions have been raised about the number of years students spend away from home, suggesting that programmes may be lengthened simply because students are residing overseas. Often, returners have salary expectations conditioned by their sojourn in developed economies which are unrealistically high in their home countries. This can lead to disgruntlement. There are also complaints that foreign programs are too abstract, highly specialized and not relevant enough for African academic or policy needs. While one must be careful not to reduce the purpose of education at the PhD level to narrow functional requirements of governments or donors, there is, nonetheless, a real need to produce graduates who can contribute in some way to dialogue about development policy options. The opportunity cost of funding any type of PhD training, at home or abroad, is high and governments and donors alike are under some pressure to demonstrate the social returns from such spending. When students trained overseas return with skills which cannot easily be employed, this is, understandably, a matter of some concern to funders. The implication of this position on overseas training is that there is an expectation that a programme organised locally would be designed and taught in such a way that it would avoid being too abstract.

These are arguments which justify a careful study of the general idea of improving the quality of local PhD training in Economics using a regional collaborative model. There are, however, strong reservations in some quarters which must be taken seriously by the Board of the AERC in considering the idea in general and the design of any specific proposal for implementing it.

First, many people believe that Africa's brightest and best economists ought to continue to have access to the world's most prestigious institutions for their doctoral training. A CPhDP is considered to be a form of import substitution, a strategy not much favoured these days by some who are close to the AERC, and one which is seen as a threat to access to the global market in PhDs. There is a suggestion in this reservation that no African student would be allowed to study overseas if a collaborative programme were put in place. This need not be the case and the ideal situation would be one in which the most promising students had the option of enrolling in the CPhDP or of studying on scholarship at the more prestigious universities overseas. For the very best students, this choice could be a realistic one. There is also an implication that a collaborative programme could not, somehow, create linkages to overseas institutions so that at least a portion of the degree being offered could be studied abroad. Yet the two reports we have read both imply that such an overseas linkage is both possible and desirable. For the majority of African PhD students i.e. those not considered to be the brightest and the best, this type of arrangement, if feasible in its practical details, would permit a degree of exposure to overseas institutions which might not otherwise be available in future.
Second, there are doubts that any single African economics department can at present attract a sufficiently large critical mass of top-class scholars to make the launching of a PhD with course work feasible. This need not imply that the idea of a collaborative PhD program is unworkable, but it would imply that steps would have to be taken to make possible the recruitment of suitably qualified staff, from Africa or from outside.

Third, there are concerns that a collaborative PhD programme would be an expensive proposition from which it might be difficult to secure stable funding, and that launching it with any degree of financial uncertainty might prejudice the financial stability of other aspects of the training programme. No one was prepared to contemplate undertaking this new responsibility in a manner which might prejudice the continued operation of existing programs. The concern is nonetheless real and serves to underscore the need for some degree of financial commitment before proceeding with this innovation.

Fourth, it is quite apparent that any proposal which would imply a significant expansion of the responsibilities of the Secretariat must be accompanied by provision to expand the management resources available to the Secretariat. Senior staff are already overburdened with responsibilities and there is spare capacity at this time to absorb a large new initiative. Again, we found no one who suggested otherwise.

Weighing all these factors together we would accept that there are sound reasons why a regionally collaborative PhD programme might be instituted. It would, however, be a major and risky undertaking which would have far-reaching implications for a) the funding of AERC b) the staffing and c) the organization of the Consortium. It would require a large commitment of financial resources extending over a period of time well in excess of the normal three-year planning cycle. PhD programs need at least five years for a single throughput of graduates. No African institution can be expected to commit itself to sponsoring a new course-based degree program within a budget timeframe of only three years. It would expose it to contingent liabilities that few institutions anywhere could bear, leave alone one in Africa. Access to reliable sources of relatively long-term funding would, therefore, be a sine qua non of a new programme.

Instituting a Collaborative PhD Programme would make significant new demands on the staff of the Secretariat which could not be borne with the existing staff complement. The nature and strength of these demands would depend crucially on the precise format and structure of the programme, but the
outlines of the tasks which would need some degree of input from the Secretariat are reasonably predictable. They would encompass some involvement in setting standards for student selection, assisting in student funding, course development, vetting of staff and courses, assessing institutional development needs, including books and reading materials, equipment and research funding needs, and staff development requirements. Should the proposal involve a period of study overseas, then AERC would be involved in negotiating institutional arrangements, covering the myriad of organizational details that overseas study entails; from travel to financing, from visas to health insurance, and from liaison with overseas academics to mediating between local and overseas universities. This range of responsibilities could not possibly be handled with the existing staff resources of the Training Programme. Although much of the expertise acquired in developing the CMAP would certainly be of help in implementing a PhD program, a new section of the Training Programme would be needed with its own core of staff to deal specifically with the PhD programme. Unless the Board were prepared to see the administrative costs of the AERC rise sufficiently to enable the creation of such a new unit, the proposal should not proceed.

Finally, the key to the successful implementation of any proposal for a new PhD programme would lie in the setting and maintaining of the highest academic standards. This would have important implications for governance of the programme and, by extension, for the governance structure of the Secretariat. Some body similar to the Academic Board would be needed to ensure the careful selection of departments, staff and students for participation in the programme and in the setting and maintenance of academic standards. Given the possibility of overseas linkages and of the need to rely partially, at least in the formative years of the programme, on foreign teaching staff, the existing Academic Board may not be the appropriate vehicle of governance. Certainly, there seems to be some agreement that, were the programme to proceed, a governing body containing some overseas experts would be an asset for much the same reasons as apply in the case of the Advisory Committee on the research side. The maintenance of standards at the PhD level is generally interpreted to mean the maintenance of international standards, and proponents of the PhD programme acknowledge the desirability of this even as they argue for a programme that might be more relevant in its design to meet pressing African problems than are most overseas programs. The comparison with the research side of the operations of the AERC is an apt one as it too strives for both local relevance and internationally acceptable standards of professional output. Given the critical role that PhD graduates would play in the future training of African economists, one could argue that quality control would, if anything, be even more crucial in the PhD program than it is on the research side of AERC operations.

We conclude by reiterating that the proposed Collaborative PhD Programme should proceed only if (i) reliable longer-term funding were to be made available, (ii) the staffing of the Secretariat were to be
expanded to enable it to cope, and (iii) strong evidence were to be presented that it would carry academic credibility internationally and that an appropriate governance structure would be developed to guarantee this.

IV GOVERNANCE, FINANCING AND MANAGEMENT

1. Governance

There are four decision making bodies within the AERC, each with its own clear mandate. The Board has formal, legal authority for all aspects of AERC activities, including staffing, budgeting and general policy direction. The Advisory Committee concentrates on the technical and professional side of research and training activities and the Academic Board deals with the academic management of the CMAP. The final body is the Secretariat which has the responsibility for the efficient day-to-day running of the Consortium, which has a considerable influence on the other three decision making bodies, and which is given a substantial amount of discretion by them on the basis of a proven track record of efficiency, sound judgement and reliability.

The main issues of governance, it seems to us, are ones of board membership, the division of labour between the various governance bodies, the delegation of authority and the continuity of membership.

A number of questions have been raised about the composition of the Board. The first is the restriction of membership to those contributing a minimum capital contribution of $100,000; in this respect, the issue of governance is inseparable from that of finance. While we have heard very little disagreement with the general principle, this requirement has, so far, effectively excluded Africans from Board membership and has resulted in some problems of continuity due to the occasionally high turnover of officials representing governments and agencies. The problem of African representation reduces to the absence of African institutions able or willing to contribute capital to AERC. Some approaches have been made to the African Development Bank and, notwithstanding the problems being faced by this institution, we would support these efforts. Membership by pan-African organisations, such as ADB or the ECA, would serve to indicate a long term commitment by Africa to the AERC. Some central banks, such as those in South Africa, Zimbabwe or Botswana, may also be in a position to contribute financially and could be approached, or could some national development banks.
The presence on the Board of institutions from a select few, relatively well off, African nations, in a context in which others would like to join but lack the capital, might lead, however, to political problems for AERC. It may result in the issue of representation becoming a problem and in the capital requirement being challenged as an appropriate regulator of board membership. More importantly, it might give rise to a much greater preoccupation with the allocation of AERC activities and resources among individual African countries than is healthy. On the other hand, there is so much goodwill attaching to AERC because of its demonstrated professionalism and impartiality that we are inclined to encourage efforts to achieve participation in funding AERC from both pan-African and national African institutions, although we are not sanguine about the potential rewards to these efforts.

African participation on the Board need not mean direct African capitalization of the AERC. The recent innovation to permit the appointment of members-at-large is a welcome one. We are informed that a senior African official will join the Board through this mechanism and we applaud this development. There is also scope for donors choosing suitably qualified Africans to represent them, from among their staff or from outside their organisations, should they wish. Donors could also consider channelling some or all of their contribution to AERC through an African organization which would then qualify for representation under existing rules. There are, therefore, ways of achieving African representation on the Board without tying it to capitalization and the AERC has already begun to move in this direction. It is our impression, though, that the division of labour, as it has evolved, has deflected attention from the Board composition because there is perceived to be adequate scope for African input into the operations of the Consortium through the Advisory Committee and the Academic Board. It is also not unimportant that the senior staff of the Secretariat at this time are all African, although there is no presupposition among those whom we interviewed that this should necessarily always be the case. Finally, some Board members are concerned that any African membership on the Board not be interpreted as tokenism; this would suggest support for maintaining existing rules for Board membership.

If we appear to be ambivalent on this question it is because opinions are divided and we have attempted to reflect this diversity of thinking. We do think that efforts to increase African representation on the Board are worthwhile pursuing and that more could be done within the existing constitution, with or without capital contributions from African institutions. At the same time, it seems to us that there is so much support for the Consortium that the requirement for it to ensure the conditions for its continued success weigh more heavily in peoples’ minds in Africa than does the question of Board representation.
The appointment of members-at-large will also help reduce problems of Board turnover due to transfer of government officials and in some cases, donors have avoided the problem by appointing non-official to represent them. At this point in time, therefore, we do not view turnover as a major problem for the Board.

The form of incorporation of the AERC as a not-for-profit corporation chartered in Delaware, USA prevents some donors from giving funding directly and hence, from participating on the Board. This has not, to our knowledge, prevented interested donors from making financial contributions indirectly and we are not aware of any unhappiness that this prevents Board membership.

A major reason why Board membership has not been more of an issue is that the Board has delegated substantive responsibility to the other governing bodies of the Consortium which do have significant African representation and which are seen to be influential and to exercise a high degree of relative autonomy in practice.

Though formal executive authority resides with the Board, it has been a great strength of the Consortium that the Board has allowed the other bodies a considerable degree of discretion and autonomy in carrying out their mandates. There are a number of reasons why this has proven to be an enlightened approach to governance. First, the Board would not be an appropriate forum for dealing with detailed decision concerning research grants, training support or the operation of the masters program. It does not have the expertise or the time, even if it did have the inclination. Secondly, the division of labour which has evolved allows Africans with academic and professional expertise the opportunity to shape the substantive research and training programs of the Consortium without being Board members. Thirdly, and closely related, the institutional structure provides a necessary degree of distance between governments and agencies funding the consortium and the setting of the research and training agenda. There are sound substantive reason why this distance is desirable but it is also sensible in light of the political sensitivity of research and training issues in the African context.

That the division of labour has worked so well is due, in no small part, to the commitment of donors to the philosophy underlying it and to their willingness to let the other bodies get on with their job. At the same time, the Board has responsibility for appointing members of the Advisory Committee and the senior staff of the Secretariat, and thus retains indirect influence on the academic and professional direction of the AERC. The Board also retains full responsibility for the three year strategic plans and annual program of work and budgets. These are, however, the product of extensive consultation by the Secretariat wi
significant input from the Advisory Committee and Academic Board, so that a balance is maintained between Board responsibility on the one hand and the need for academic and professional input, on the other.

From first hand observation, we are impressed with the seriousness with which the Advisory Committee carries out its tasks. The Committee has a blend of African and non-African expertise, a strong sense of responsibility and autonomy and, like the Board, no wish to 'micro-manage' the institution. Continuity on the Committee is assured by allowing members to serve up to two terms of 3 to 4 years and by staggering the terms. The Committee has developed an effective working relationship with both the Board (it now sends summaries of its minutes to the Board and the Chair is invited to Board meetings) and the Secretariat and, as far as we can see, no substantive issues of governance revolve around its operations.

The Academic Board is an essential interface between the AERC and the participating universities. Its composition and structure have been dealt with in Section III and as we concluded there, apart from an inevitable turnover of membership, it appears also to work well. In this case, the Secretariat plays an important role both in ensuring adequate servicing and in helping maintain a sense of continuity of the whole.

The Secretariat plays an important role in the governance of the AERC. The three senior staff provide reliable and efficient support services, including detailed and timely flows of information, to the other three bodies enabling them to conduct their responsibilities in an informed manner. They are often the source of policy proposals and suggestions for improving the operations of the Consortium and they subject their own activities to rigorous examination for efficiency and cost-effectiveness. The transparency with which the activities of the Consortium are conducted is a testimony to the open management style which has been in place since the AERC's inception and which has been strengthened as time has gone by. The senior staff command the respect of the Board, the Advisory Committee and the Academic Board and for this reason are influential in shaping the agenda, debate and decisions of these bodies which, nonetheless, still retain full authority over their respective areas of jurisdiction.

One area in which slight improvements might be made is that of securing more systematic input into decision making by both researchers and MA students, the direct 'consumers' of AERC services. There is no provision for this in the formal structures i.e. on the Advisory Committee or Academic Board and one might argue that this would be difficult to achieve given the relatively high rate of turnover of both groups in their respective programmes. Provision could be made, however, for the systematic evaluation
of AERC programmes by researchers when they assemble in workshops and by students as they assemble at the JFE. Small representative committees could be elected or appointed for this purpose, and they could solicit input from their colleagues and/or the Secretariat itself could solicit written feedback on its policies and operations. Ideally, whatever approach is taken should be inexpensive and non-bureaucratic. We do not believe that the lack of formal representation is considered to be a problem by participants themselves because the Secretariat has very effective informal avenues for keeping in touch with its researchers and students, but this could easily change with a change of senior staff and possible problems could be averted by some modest actions now.

We see no major difficulties or concerns in the area of governance. The structure works well; all the relevant bodies take their responsibilities seriously; the division of labour is sensible and functional; the senior staff of the Secretariat are central to the efficient working of the whole governance structure and are, in many respects, the glue which holds it all together. The composition of the Board has been a discussion point but if African representation is still considered to be a problem, there are ways of addressing it within the existing constitution. Consideration should be given to securing more systematic and more formal feedback from researchers and students on the policies and activities of the Consortium.

2. Financing

Financing has not been a binding constraint on the activities of the Consortium to this point in time but we note that Phase III was planned in the expectation of a more difficult aid environment. Phase IV will undoubtedly see even greater pressure on aid budgets than in the recent past but we have no sense of any impending large cuts in support to the AERC. In the case of at least one aid agency experiencing budget reductions there are no plans to cut back assistance to what they consider to be 'the best African organization'. Board members themselves would be better placed to forecast likely future trends in funding. Here we make only some general observations on financing.

The first is that the AERC should continue the efforts it made in Phase III to address the possibility of tighter budgets, by continuing to pay attention to cost-effectiveness of activities and by increasing its effort to broaden the funding base. The recent approaches to Finland, Australia, Japan and the African Development Bank for funding contributions are to be applauded and consideration now needs to be given to other possible sources, both internationally and within Africa.
The second is that it appears to be somewhat easier to raise funding for training activities than it is for research or core activities and some donors insist that their funds be earmarked in this direction. This is understandable because donors can more easily make the political case for training than they can for economic research, but as the prime raison d'être of the AERC is to raise capacity of Africa to undertake policy relevant research, it is a regrettable state of affairs. The earmarking of funds for specific programmes reduces the management flexibility of the Consortium, as well as often leading to complications and duplications in recording and reporting expenditures. Donors should be encouraged to make on-going commitments to core and research funding and to refrain, as much as possible, from earmarking An exceptional form of earmarked funding from a research point of view is, however, that which accompanies the collaborative research modality. Imaginative use of this modality may enable some additional funds to be mobilized from new donors, old and new.

The third observation is that the three year planning period for the Consortium is not particularly satisfactory for a research and training institution. Ideally, a five year planning horizon would be preferred and even that would be insufficiently long if a PhD program were to be introduced. We recognize that it is the financial imperatives of donors which drive this time horizon, but it does subject the AERC to great uncertainty and, in our opinion, over frequent evaluations of performance. It also creates an uncertain climate for staff and could, at some point, undermine the ability of the Consortium to recruit first rate replacements for senior staff.

Fourth, we applaud the efforts of the Board to build up a reserve fund. This is a prudent move from the point of view of potential revenue instability in any given year and given the obligations which would have to be met in the event of a final winding up of the Consortium. There have suggestions that the AERC as a whole or perhaps just a portion of its activities, such as the proposed Collaborative PhD Program, be funded through an endowment arrangement, the ultimate in reserve fund arrangements. While this would be ideal from the point of view of the Consortium, it is highly unlikely to have much appeal to donors, and we do not feel that staff should put much energy into pursuing the idea.

Our final observation is a repeat of a point made earlier that the AERC should not implement a Collaborative PhD Programme without first having in place a large enough and secure enough source of funding. There would need to be sufficient funds not just to finance students and the academic institution(s) involved over a long enough academic cycle, but also the additional staffing and administrative needs of the Secretariat.
3. Administration

The management capacity and systems of the AERC have been reviewed three times since inception, with improvements made where they seemed needed. The last such review, by James Trowbridge in 1995, concluded that 'all is proceeding quite well. There are no major problems of management relations or procedures. To the contrary, operations are smooth and transparent; financial, personnel and administrative procedures are in place; communications are very good, and delegations of authority are working well. Only some minor matters need fine tuning' (Trowbridge Report, May, 1995, p.4).

Trowbridge argued that staffing levels were adequate for the time being and that it was unnecessary to add planned positions of Assistant to the Training and Research Programmes.

Our own view of the administrative side of the operations of the Consortium conform generally with those of Mr Trowbridge. We were particularly impressed with the open system of management which has evolved, the accessibility of the senior staff, the clear delegation of authority and responsibility, and the efficiency with which administrative matters are handled. In this last case, the organization of the workshop we attended in South Africa was excellent, and especially so given that it was held away from head office where the main administrative supports are located. We also had the opportunity to see at first hand the way in which the Collaborative MA operates and particularly the Joint Facility for Electives. It is apparent to us that the administrative side of the MA has evolved as the program itself has expanded and has adjusted to meet deficiencies and snags that have been identified in the annual administrative review of the JFE. The strengthening of staff and procedures has been carried out quickly, sensibly, and modestly in terms of expenditures.

In short, the Executive Director and his staff have set standards of administrative performance which are as high as, if not higher than, those set in relation to the research and teaching activities of the Consortium. Indeed, a sound administrative structure is essential to the maintenance of high standards of professional performance and the Consortium is unusual, if not unique, in Africa on both scores.

The one area where we might disagree somewhat with Mr Trowbridge is on the need for an Assistant to the Research side of the Consortium's activities. We consider that the Research Programme lacks the depth of staff resources currently available on the Training side. There are some signs of over-extension here with the odd complaint about delays in responding to proposals, some indication that suggestions of improving papers are not always followed before papers are presented or re-presented to workshops, and sometimes a long lag between submission for final publication and receipt of comments from referees.
None of this is serious and in many cases the reasons for problems are not simple or explainable only in terms of internal problems. This we recognize and we wish to emphasize that we feel the Research Coordinator does a fine job of maintaining professional standards while at the same time managing to conduct his own impressive research program. He also draws on a part-time Assistant and, increasingly, on outside resource people. We would simply ask whether or not the time has come, in terms of the growing workload on this side of the Consortium, to strengthen in-house capacity by appointing a full time Assistant Coordinator.

There is also another sound reason, in our minds at least, why the research staff may need strengthening and this has to do with the question of the relationship of the Consortium with Francophone Africa. There seems to be general agreement that the AERC should continue to serve research needs in Francophone Africa. A case could also be made for the Consortium increasing its involvement in these countries of Africa by trying to attract Francophone researchers for Comparative and Collaborative research projects and by encouraging more participation in research activities by female Francophones. Yet the Secretariat is not well equipped to handle even its current level of involvement with French, having only one bilingual staff person who is an administrative assistant. We have already commented on the problems of translation during workshops, and we feel this is symptomatic of an under representation of Francophones on the staff of the Secretariat. We feel, therefore, that a strong argument could be made for recruiting an Assistant Coordinator of Research who is either Francophone or, as a second best solution, is at least fluently bilingual in French and English. We are aware that at least one Francophone member of the Advisory Committee does not share this view, arguing instead that it is important for Francophone researchers to learn to converse in English, but we feel otherwise. There is ample opportunity for Francophones to converse in English with their Anglophone counterparts at workshops, but a truly pan-African research organization ought to be able to deliver services in both main languages and this is particularly important when discourse is of a highly technical nature. Not only linguistic ability is in question: the need is for a staff person who is familiar with the very different institutional structure and culture of Francophone Africa. Ideally, the Assistant would also bring to the Consortium other assets which would add complementarity and balance, in terms of past experience and interests within economics, to the already considerable attributes of the senior staff.

We would conclude, therefore, that the administrative side of the Consortium is in fine shape but that consideration ought to be given to hiring a full time Assistant Coordinator of Research who is fluent in French and familiar with French-style institutions and ways of working. The case for this has to be viewed in the light of our observations elsewhere on the Francophone elements of AERC's programmes.
Should the Consortium move to introduce a Collaborative PhD Programme, the administrative capacity of the Secretariat would need to be increased. Our preference would be for the programme to be administered as a separate division of the Training Programme, with a Programme Manager reporting to the Training Coordinator. Staffing needs beyond that would depend very much on the precise structure of the programme and its relationship with other African and overseas universities, details of which are not known at this time.

V THE ROLE AND FUTURE OF AERC

We start with some broader issues, and then turn to questions concerning the future size and structure of the AERC programme. Our concluding theme is the case for reinforcing success.

1. The Institutional Context

Any discussion of how the AERC might evolve in future needs to be situated within the broader institutional context in which it operates, for it is this which shapes the scope and need for AERC interventions and it is this which determines the competition the Consortium is likely to face when seeking donor support. In a report of this kind it is not possible, nor desirable, to explore the institutional setting in any depth, but a brief summary overview is in order.

In Francophone Africa, there is the Industrial Policy Network, commonly called the ‘Réseau’, which operates on similar lines to the AERC, issuing small grants and providing specialized training and support to researchers. Its focus is, however, on industrial policy and its methodological approach is quite quantitative. There is at present no overlap with the AERC except to the limited extent that Francophone researchers seek funding through the AERC in the AT thematic area. Overlap is likely to remain insignificant unless the Réseau decides to branch out into the macroeconomic research area.

Also in Francophone Africa is the Programme de troisième cycle interuniversitaire, the PTCI, which is the Francophone equivalent of the Collaborative MA Programme. The division of labour between the AER and the PTCI is even clearer than that between the Consortium and the Réseau and, indeed, the AER helped set up the PTCI which is located in Ouagadougou.
The African Capacity Building Foundation, which helps finance both the AERC and the PTCI, has also financed two other regional programs in training at the MA level in Economic Policy Management; at McGill University in Canada and at CERDI of the University of Claremont-Ferrand, in France. Both these programs are funded also by the Economic Development Institute (EDI) of the World Bank and both will, eventually, be repatriated to African universities. There is some overlap between these programs and the ones supported by the AERC/PTCI and they have been controversial in Africa since they were first proposed. It is to be hoped that plans to repatriate them will be coordinated very closely with the AERC/PTCI.

The ACBF has also funded a number of national policy institutions, in Kenya, Tanzania, South Africa, Nigeria, Senegal, Uganda, Zimbabwe, Zambia, Ethiopia, Ghana, Mali and Namibia. Each has a different mandate but they all have responsibility to increase the local capacity to formulate economic policy, through research and dissemination. Several have a clear mandate to train in the fields of policy analysis and research methodology. We have dealt with how best the AERC might relate to these in Section II-3.

There are a number of institutions attached to universities throughout Africa which deal in whole or in part with economic research. The Economic Research Bureau in Tanzania, the Institute of Statistical, Social and Economic Research in Ghana, CRES in Côte d'Ivoire and the Makerere Institute of Social Research are examples. These bodies conduct or have conducted research at both the macroeconomic and microeconomic levels but many have been hit badly by fiscal restraint so that their operations are severely impeded. In some cases, the AERC has supported their staff, making it possible for the institution to gain access to computers and other research supports which would otherwise not have been available.

The AERC might also be said to compete for donor funding with a number of regional bodies which have a somewhat broader mandate, going beyond macroeconomic research and sometimes beyond economics. The Institute for Economic Development and Planning (IDEP), the OAU’s Economic Development and Cooperation Department, and the ECA would be examples of the first; while CODESRIA, the Council for the Development of Economic and Social Research in Africa, located in Dakar, would be an example of an inter-disciplinary research institution. But CODESRIA undertakes research on structural adjustment programs and was, in fact, encouraged to do so by the AERC.

It could be said that the AERC competes for donor attention with a number of other networks, actual or proposed, in related fields of intellectual and policy endeavour. There are two educational research networks in Africa, a technology policy network and a network to promote the strengthening of municipal
government. There is a proposal for an environmental economics network for East and Southern Africa. All of these have received encouragement and support from donors. A detailed study of these for the IDRC (‘The Governance of Networks; The Experience of IDRC’s Social Science Division in Sub-Saharan Africa’, Philip English for the IDRC, September, 1995) concluded that ‘Overall, the AERC still represents the only truly successful model’ (p.45).

The success of the AERC in the field of economics has also raised the question of why donors do not extend the concept to supporting research and training in other disciplinary areas such as sociology, law or political studies. Why not, indeed?

Finally, the AERC could be considered to compete for resources with a whole panoply of training institutions and programs geared towards the needs of economists. Most central banks and economic ministries have some provision for enhancing their in-house capacity, often arranging courses in specialist topics which will also find a presence in the syllabus of the CMAP. In-house research may also overlap with some of that conducted by AERC and may sometimes be funded by donors.

The AERC is fully conversant with this broader institutional environment within which it operates and, indeed, has been remarkably sensitive to it. This has found reflection in its initial reluctance to undertake the CMAP, its willingness to assist the PTCI and the would-be Nigerian MA programme, and its caution in approaching programming possibilities in South Africa. It retains contact with many of the institutions mentioned, especially the regional ones, and has been scrupulous in avoiding any hint of ‘imperial ambitions. Even in expressing concern over the ACBF’s funding of MA programmes outside the continent, it was clearly reflecting concerns which had been raised by representatives of African universities rather than seeking to expand its own responsibilities.

This contextual information is needed, however, in developing a ‘vision’ of how the AERC might develop in future and in assessing the likelihood of additional donor support being forthcoming.

2. Identity, Purpose and Constitution

In their report, Goodwin and Kayode examined the possible future of AERC in terms of two alternative models, two “polar positions”. In Model I, the Consortium would be “mainly a post-doctoral training program to prepare a substantial body of African economists to serve directly their governments i
middle-level professional roles with policy-relevant research and to serve governments and international organisations also as consultants..." Under Model II, AERC would "serve with policy-relevant research not just governments and international organizations... but all parts of a pluralist society including... the private sector, the mass media, and the many institutions of civil society...". They suggested that with increasing political liberalisation in Africa, the second model was becoming more relevant, and that AERC "should move steadily closer to Model II than to Model I". This would be achieved by a gradual broadening of the "target audience" beyond the academic and official communities, with a corresponding extension over time in the range of publications and meetings sponsored by AERC.

We fully share the judgement of our predecessors, that policy relevance is not to be viewed or defined with reference only to government departments and central banks, and that AERC should be concerned with improving the flow of information and ideas to a wider public, as well as to a restricted group of 'policy makers'. Nevertheless, our view as to the role and objectives of the Consortium is rather different from theirs: on the whole, it is more conservative, in the sense of remaining closer to the status quo; but in one respect we favour a broadening of functions which goes in the same direction, and possibly even somewhat beyond what they had in mind.

As to not departing too far from AERC's mission as at present defined and interpreted, we are influenced in particular by the following considerations.

First, and as noted in Section II above, we think that over time the AERC research and training programmes as at present constituted will increasingly contribute to a wider and better informed public debate, through channels which are for the most part informal and indirect. In particular, it is through the actions and writings of members of the network that these effects will chiefly be felt; and in many if not most cases the Consortium need not be directly involved, either as initiator or participant, in the varied array of meetings and discussions, and of documents published and unpublished, through which a widening debate will take shape.

Second, AERC is too small to play a leading part across the continent in a wide range of projects and programmes. Its three top administrator-economists, to whom the triple tasks of programme leadership, creative planning at Secretariat level, and representing the Consortium must largely continue to fall, are already chronically overextended. It cannot hope to maintain formal links, or to take part in joint activities, with too extensive a range of organisations and institutions. Beyond the research community, the main
focus has to continue to be on the agencies that are most directly concerned with economic policies - i.e., ministries and central banks.

Third, AERC's success in the future will depend, as in the past, on maintaining its reputation for professional competence across the whole range of its operations. This can only be ensured if the portfolio of tasks and activities is well matched to the resources available.

Fourth, AERC needs to retain, for the foreseeable future, a core of activities which it controls and finances itself. These serve to establish its identity, its image; and they make up an area within which, precisely because it is in control, it can ensure that its professional standards are maintained. At present the two core activities are the thematic research programme and the CMAP. We think that the main focus should continue to be on these, and on initiatives such as the Senior Policy Seminar which not only grow out of them but are clearly identifiable as AERC products. Such a continuing focus is fully compatible with involvement in a possibly growing range of other activities, including collaborative or comparative research projects and joint meetings and conferences, in which AERC shares responsibility with other agencies. But such activities should not be pushed to the point where there is a loss of cohesion and identity.

We therefore agree with the view that was expressed in the Advisory Committee when the Goodwin-Kayode report was reviewed, that "caution should be exercised" with respect to "expanding outreach to the wider community"; and we doubt whether it would be right to define AERC's future direction with reference to a gradual evolution towards "Model II". At any rate as far ahead as the end of Phase IV, the present core activities will and should remain, nor can they be defined or conducted so as to involve, or cater for, a growing range of largely non-professional audiences. In particular, we consider that the principal 'target audiences' for AERC research should remain, as they are now, first, the international research community, and second, those who are closely involved with economic policies in Africa.

At the same time - and here our view is more in line with the thinking of our predecessors - we think that AERC should concern itself, more explicitly and more consistently than at present, with ensuring that its research and training activities contribute to a more considered and informed discussion of economic issues, not just in official circles but in the community at large. As we have noted just above, this goes well beyond writing acceptable journal articles, and indeed beyond 'research' as such. It means making ideas accessible in timely form to a wider readership than the research community, and developing the professional skills, and the breadth of interest and outlook, that are required to make a success of this.
this context, we have made some specific recommendations. In relation to the future role and objectives of the Consortium, the key notion, which we would re-emphasize here, is that the notion of 'capacity building' should be defined more broadly. It should go well beyond developing the ability to write good research papers for an audience of fellow-professionals, and an awareness of these wider dimensions should permeate all AERC thinking and activities.

Such a broadening is fully consistent with keeping unchanged the professional character of the research output, together with its prospective readership. In two other respects also, we think that no substantial change is needed in the Consortium's present role and ways of functioning.

First, and as stated in Section II above, we think that the main immediate aim of the research programme should continue to be to produce a flow of research publications which measure up to international standards, and in so doing (1) to integrate African economists more fully into the international research community, and (2) to raise the status and increase the coherence of the economics profession in Africa. In the future as in the past, this flow of publications has to be channelled first and foremost to a restricted professional readership; and it is not necessarily a matter for concern that much of it may not become directly and immediately an input into the policy process.

Second, we consider that the constitution of the AERC, and the relationships and balance of functions as between Board, Advisory Committee and Secretariat, are in good working order. While there are questions of financing and management that need continuing attention, there are no serious problems of "governance" which have to be dealt with.

Within the present broad framework of AERC programmes and procedures, which we think should be maintained, there is of course scope for changes. We have already made some specific suggestions for change, in each of Sections II, III and IV above. We turn now to consider some of the broader aspects of the programme as a whole, drawing at various points on what has been said in these previous sections.

3. Steady State, Expansion or Incremental Change?

As noted above, the Secretariat has recently expressed the view, in a planning document for the Board, that AERC is "approach[ing] maturity and a steady state level of operations". Against the background of such a possibility, we consider three aspects or dimensions within which expansion might be considered in
relation to Phase IV: geographical (country coverage); subject areas (within the research programme); and the Collaborative PhD Programme where we restate in this broader context the conclusions reached above in Section III. We then draw together the threads that emerge from this brief threefold review.

(a) **Country Coverage**

Under this heading, we would make three points. One of these is cautionary, while the other two could point towards a limited extension, over the next few years, of the AERC's present scope and activities.

As to the former aspect, we agree with the view that has been taken up to now by the Advisory Committee and the Board, (1) that the scope of the CMAP should remain restricted to Anglophone countries other than Nigeria, and (2) that AERC should not become the financing or managing agency for a counterpart to the CMAP in any other country or region. Hence in this context we see the AERC role in Nigeria remaining for the future, as it is now, one only of advising on, and facilitating, the development of a local counterpart to the CMAP. Subject to the reservations that have been made above in Section III, we take the same view in relation to South Africa. Thus within the training programme we would favour keeping the CMAP at or close to its present size, and neither extending it to other major countries or groups of countries nor replicating it under AERC auspices.

On the research side, we would be less categorical. The present portfolio of activities could well be extended at the margin, in ways that would make the geographical coverage within sub-Saharan Africa more complete without either adding greatly to costs or compromising the effectiveness of AER programmes. Here there are at present two main headings to be considered.

First, we think that it has been a good idea to bring South African economists into the AERC research programme, a process which is now well under way. The Secretariat considers that this extension of coverage will involve little by way of additional expenditures or greater pressures on the Research Coordinator and his staff. Over time, however, the full participation of a country as large as South Africa, together perhaps with an extension of the programme to some other smaller countries that have not so far been much involved, may well bring forward the date at which, in the thematic research programme at a rate, a choice would present itself between a higher expenditure ceiling and additional economic rationing devices. This however may depend on the extent to which the subject coverage of the programme is widened, an aspect that we touch on below.
A second possible area for limited extension of the present research activities is the Francophone countries. Here the right course may depend, to a greater extent than in Anglophone Africa, on AERC's relationships with other agencies and institutions that are likewise engaged in the financing of economic research. This is an aspect that we can do no more than note, since our own inquiries concerning the situation and possibilities in the Francophone countries were limited in scope. In the course of our interviews one well-informed non-African observer made the remark, in a critical spirit, that AERC has at present no considered strategy for the Francophone countries; but another outside expert took the view that this, if true, was for the time being at least a positive advantage, because of the risks of the Consortium becoming viewed as over-assertive: he considered the scope and content of the present research programme in these countries as appropriate, at any rate for some time to come.

From our own observation and interviews we would make three points in this connection. First, it is not only a distinctive feature of the AERC research programme, but a considerable asset, that it extends to both Anglophone and Francophone countries. It is therefore worth continuing to give special thought and effort to making sure that the Francophone elements in the programme are well judged and well handled. Second, it is clear that the Francophone participants in the programme are enthusiastic about it, and that they have benefited from it in much the same respects as their Anglophone counterparts: this adds weight to the first point. Third, there are specific ways in which AERC could do more to help its Francophone researchers, in particular (1) by the virtually costless route of improving the intelligibility of workshop plenary discussions, as suggested in Section II above, and (2) through better provision of translation services (which would certainly not be costless). This latter issue was raised at length in virtually all our Francophone interviews, and appears to be the main single current preoccupation of AERC researchers in these countries. We recommend that the Secretariat should first take steps to make sure that it fully understands the researchers' viewpoint and concerns, and then report to the Advisory Committee on the action which it thinks might be taken.

Finally under this heading, it is inevitable that the Francophone side of the programme should be (so to speak) a minority interest within the AERC programme, the more so since there is no Francophone counterpart of the CMAP within the Consortium and the Secretariat is concentrated in an Anglophone country. This underlines the importance, noted above, of ensuring that within the Secretariat there is a good basis of knowledge and information with respect to the Francophone countries.
(b) **Subject Coverage**

Extending the range of topics covered in the thematic research programme would not necessarily give rise to a significant increase in programme expenditures: as noted above, the recommendations of the Thorbecke Report would imply a regrouping of the present subject headings, and the introduction of a new area of research, within a total programme which would remain at much the same size. Any increase in costs, if there was one, would result from a longer average completion time for research projects. There would not be any provision for the annual number of thematic research grants approved, which at the moment is 32, to be increased.

Over time, the case for an increase in this number should in our view be kept under consideration. In part, perhaps largely, this is due to the increasing participation in the research programme which is to be expected - and hoped for - on the part of economists in South Africa. But as noted in Section II above, we think that at this stage of its evolution, and even given that the thematic research programme is likely to be broadened in scope in accordance with the recommendations of the Thorbecke Report, AERC should be sensitive to the possibility that by limiting the range of permissible topics within the programme it may be (1) excluding well qualified researchers, (2) imparting too strong a bias towards particular areas of research, or (3) sustaining only a part of the profession in Africa, rather than the whole. It is not that a change within the prospective (post-Thorbecke) programme, or a significant expansion of it, is clearly called for at this stage: rather, we would like the Secretariat and the Advisory Committee to keep further possible developments in mind, and to review from time to time the current limits on the scope and subject-matter of AERC research. In particular, and as noted already, we think that there should be scope in both the collaborative and thematic research programmes, for policy-related studies on issues of regulation, privatisation and raising the efficiency of the public sector.

At some stage, though probably not in the near future, the combined effects of (i) more extensive geographical coverage and (ii) a wish to extend somewhat further the range of research areas, may lead to a reconsideration of the present limit on the number of thematic research projects that can be accepted in each year. These same developments might also justify a readiness on the part of AERC to join in financing collaborative research projects in subject areas which at present might not be considered as eligible for support.
Looking ahead to Phase IV and beyond, the main single decision which has to be taken in relation to the AERC's future is whether or not to proceed with a Collaborative PhD Programme. Since this issue is not one for immediate decision, and has already been made the subject of an extensive set of inquiries which at the time of writing has not yet been completed, it would not be appropriate for us to make recommendations as to whether and when such a programme might be launched - all the more so, since it is clear that expert opinion, both among resource persons and within the Advisory Committee, is at present divided on the subject. We make three observations only.

First, we have suggested already (i) that AERC, at present and for some time to come, should retain a core of activities for which it is clearly and exclusively responsible, and (ii) that activities that are not closely related to this core have to be embarked on selectively, because of resource limitations and to ensure cohesion in the programme. In this context, we think that a Collaborative PhD Programme is to be viewed as a core and not a 'fringe' activity. It would be financed within the AERC budget, and run by the Secretariat subject to the same forms of reporting and accountability that operate in the main research programme and the CMAP. It would thus not be open to the objection that it represented an extension or redefinition of AERC's role. It could indeed be thought of, to quote a phrase used by one of our interviewees, as "completing the spectrum" of Consortium activities.

Second, the fact that the CPP would be a core activity does not make it any the less both a costly and a risky undertaking. While considerations of organisational logic may seem to favour it, or at least not to tell against it, they do not go very far towards establishing a case for going ahead. It has to be shown that the CPP is both practicable and cost-effective.

Third, and as we have stressed in Section III, the programme should not be embarked on unless two necessary (though not sufficient) conditions for success have been established: first, that the extra staff resources required within the Secretariat have been approved by the Board; and second, that commitments have been secured for financing the programme, for a period further ahead than many donors would normally be prepared to consider.
(d) *The Picture as a Whole*

So long as a new development as ambitious as the CPP remains as a serious possibility for the AERC, it would be premature to think in terms of the organization having clearly entered into a "steady state" adoption of such a programme would bring with it a new phase of innovation and adaptation, together with a further growth in the total budget of perhaps one-third. The steady state could still remain as an accepted goal, but its timing would be put back and its content much altered. Aside from the CPP, however, and in relation to the rest of the continuing programme, it is indeed possible to think of consolidation combined with gradual evolution; and broadly speaking, for the reasons set out at the beginning of this section, this is the approach that we would favour in relation to formulating a strategy for Phase IV. We believe that AERC has established a well-chosen portfolio of activities which are managed effectively within a constitution, a framework for governance, which is sound. This argues for incremental change, rather than redefining goals or changing the present portfolio substantially.

Over a longer period, AERC, if it survives, could well evolve into a quite different kind of institution. Various possibilities can be imagined. For example, one of our interviewees sketched out a future in which the Consortium would have transformed itself into an African counterpart of the National Bureau of Economic Research in the US. It would then have a considerably larger number of researchers, who would be more autonomous and less dependent on advice and support from resource persons, together with a wider range of research topics; and co-financing of projects would be a normal procedure. Alternatively, one could envisage the Consortium moving out of the labour-intensive business of supporting individual research projects, and evolving into a body which supports other economic research institutes, regions or specialises. In this second vision, it would become a central agency for financing and providing technical and managerial assistance to other institutions. It would also serve to monitor their performance and provide periodic evaluations. Yet a third possibility would be for the AERC to develop a concentration on comparative and collaborative research, again eventually moving away from the funding of individual projects, and from the peer review and workshop process, as a significant cadre of African researchers 'graduate' from the current system.

On the training side, we can envisage a time when the AERC will gradually devolve the teaching of electives to Category B universities as faculty members complete their PhD training. We also envisage a gradual increase in the number of Category B universities, so that the costs of training students at the MA level will fall steadily as more students obtain training in their home countries. Students might be drawn increasingly from sectors other than government, as might participants in the research activities funded by
the Consortium, so that the institutions of civil society might begin to participate more fully in economic policy debates.

The AERC might, by that time, find itself more heavily involved in supporting collaborative PhD level training, from which it would take longer to extricate itself, than in MA training.

All of this, however, is speculation about a future which lies well ahead; and while it may be useful for the Board to have a vision of paths the Consortium might eventually take, it seems to us that such prospects are too distant, and too debatable, to be made the starting point for planning the next stages of AERC's future. Leaving aside the specific issue of the CPP, which in any case will take time to consider and resolve, there is a strong case for viewing the next stage in terms of incremental changes within a programme, and a structure, which will remain substantially the same.

At the same time, we do not think that the term 'steady state' expresses well either the current situation of AERC or the norm that it should now aspire to. On the contrary, we believe that AERC's success will depend in the future, as it has in the past, on a continuing readiness to innovate in well-considered ways. Phase IV should be thus be viewed in terms of innovation as well as consolidation. Some of the innovations need not involve, or point towards, a larger programme envelope: this is true of some at least of the specific recommendations that we have made. However, we think that the possibility of changes in both the size and composition of the programme, even without taking into account of the CPP, should not be ruled out.

4. Building on Success

As we have made clear, we do not advocate either a major extension of AERC's role and activities or a large expansion of its present expenditures on what it already does. We have borne in mind the need to take account of the Consortium's limits as well as its strengths; and we are conscious that for good reasons the tendency of donors may well be to look for reductions, rather than sanctioning increases, in its total budget. Nevertheless, we believe that there is a case for being prepared to think in terms of a continuing modest growth in total spending, and of internal changes which would complement such an increase. We think that the prevailing attitude should be positive, rather than simply restrictive.
The main point here is a straightforward one: success deserves to be not only recognised but also reinforced. In the long list of aid projects in sub-Saharan Africa over the past half-century, the number of clear success stories is depressingly low. AERC has been acknowledged, by virtually all who have become familiar with its programme and ways of working, to be a highly successful undertaking: there can be few recently-created institutions in the world for which such a range of tributes from informed observers can be placed in evidence. In the space of a few years it has established itself in Africa, and even on the international scene. In doing so, it has learned from experience and evolved as an institution, so that it has already, thanks in part to a well-devised initial endowment of aims and procedures, reached a stage approaching maturity. Teething troubles appear to be largely over, and the organisation is well placed to pursue aims which are strongly endorsed by both the donor community and national governments.

In this situation, and with this outstanding record, it seems appropriate to think of what more could be done, as well as focusing on the ways in which programme economies could be made: if up to now an average return on expenditures within AERC has been so high, why should not the prospective marginal rate be high also? This general argument becomes stronger if one bears in mind that the total annual programme costs, even after the expansion which has resulted from the establishment of the CMAP, are of the order of only $7 million a year. The risks involved in being ready to consider a continuing modest increase in expenditures, for purposes which under the established well-functioning procedures would be small, would be carefully reviewed and evaluated, would be small indeed.

These considerations lead us to think that the Secretariat should be encouraged to develop new ideas and new proposals, rather than working too strictly within the constraints that are suggested by the notion of a 'steady state'. This is not a radical idea: on the contrary, it would mean a continuation of past AE practice, rather than a departure from it. But it would in our view be helpful if at this stage, with plans for Phase IV about to begin in an environment of financial stringency, the principle of reinforcing success was explicitly recognised.

Building on success will not be easy, and among the many factors involved we would draw attention particularly to the role and staffing of the Secretariat. The outcome of the next few years will depend critically on maintaining the quality of leadership in Nairobi, and ensuring that the Executive Director, his small group of senior economist-colleagues form a balanced and effective team which has both capacity and the opportunity to manage creatively.
VI CONCLUSIONS AND RECOMMENDATIONS

1. The AERC is a remarkably successful institution. It has helped create a network of competent African macro economic researchers, bringing them into contact with each other and with experts from across the world. It has helped restore the institutional base of economic research in Africa and allowed the continent to retain the services of many economists who might otherwise have emigrated. It has created a collaborative MA programme which, though still in its formative stages, is showing every sign of meeting the ambitious goals set for it. It has strengthened the capacity and resources of participating universities while, at the same time, giving individual African graduates an opportunity to study in a high quality programme with ready access to qualified teachers and to the full range of academic, financial and other supports they require. The AERC has also provided much needed financial support for PhD thesis research, assisted a number of African PhD students to study abroad and arranged for a number of African economists to enjoy short term attachments with international institutions. In short, the AERC has had a very marked and overwhelmingly positive impact on the opportunities for research and post-graduate study facing African economists.

2. This success is the result of a combination of factors. These include a sound institutional structure; systematic and well thought out procedures for the design and conduct of its activities; the setting and maintenance of high professional standards; a high degree of commitment by staff, members of governing bodies, resource persons, teachers and examiners; and organisational prudence in maintaining a restricted focus of activities, while extending the scope of activities only with great care and with due regard to the Consortium's limitations as well as its strengths.

3. Because of this success, which would be remarkable anywhere but is especially so in Africa, the tendency may be to place new and additional demands on the AERC in the next phase of its operations. There will certainly be increasing demands from researchers, employers and students for the services offered. At the same time, financial resources are likely to be still more constrained than they have been, while the senior staff of the Secretariat are already overextended. For these reasons, and drawing lessons from the above reasons for the AERC's success, further changes in the mandate or operations of the Consortium should be undertaken only with great care.

4. In particular, the proposal for a collaborative PhD programme should proceed only if (i) the necessary financial and staff resources can be assured over a substantial period, and (ii) the establishment and maintenance of appropriate international standards can be guaranteed.
5. The expansion of the AERC’s operations geographically should also be approached with caution. We would recommend against extending the Collaborative MA Programme either to Francophone Africa or to Nigeria. In the case of South Africa, some limited cooperation in the Programme with what used to be called ‘Black Universities’ may be in order until the academic situation in there Africa is more settled.

6. The Research Programme should, however, continue to serve all parts of sub-Saharan Africa including South Africa. Broadly, the programme is continuing to function highly effectively. We think that there are a number of related respects in which the programme could usefully be strengthened, but these are all improvements at the margin.

7. Within the programme, the workshop arrangement should, as far as possible, be retained in its current form as it has continued to prove extremely effective. However, some changes need to be made. In particular, plenary sessions should be improved in terms of discipline and clarity of presentation, with due attention given to the translation needs of Francophone participants; and more emphasis should be placed on raising the quality of presentations in group discussions and on ensuring consistency of approach between the four thematic groups. Workshop participants should be given the opportunity to evaluate the conduct and content of workshops and the policies and activities of the Consortium in general.

8. We were much impressed by the contribution made to the programme by the resource persons. The choice of these is critical to success, and may need to be given more time and attention. A difficult balance has to be maintained as between (i) continuity as against the need to provide for new faces and new research themes, and (ii) academic and technical excellence as against policy experience. It could be helpful, in encouraging more female participants among researchers, to have role models among the resource persons. Care should be taken not to become too dependent on people closely identified with a single world view.

9. On the balance of research modalities, we do not either anticipate or recommend any major shifts as between the present headings. The main emphasis should remain on thematic research. Comparative research will remain limited but efforts should be made to involve more Francophone researchers. Non-thematic research will also be limited but can play a useful role in providing flexibility and in providing a guide to possible future thematic or collaborative research projects. Collaborative research is likely to grow in importance because of the outside professional and financial benefits it brings.
10. Within the thematic research programme, more systematic attention needs to be given to the delays which are said now to occur (i) in weighing up initially the claims of research proposals, and (ii) between the receipt of the 'final' text from a researcher and eventual clearance for publication.

11. Broadening the research themes covered by the AERC should be approached carefully and incrementally. We would broadly endorse the recommendations of the Thorbecke Report that the AERC extend its thematic coverage to include questions of poverty, income distribution and labour markets, while at the same time retaining only four thematic areas by rationalizing the existing four into three. However, consideration should also be given to extending research support to other important policy areas closely related to existing thematic specializations, such as issues of regulation, privatization and improvement of public sector efficiency.

12. The gradual and carefully considered broadening of themes in this way should help address the concerns which some have expressed that AERC's approach has been somewhat narrow, restricting participation in research not just to economists, but to macro economists working in limited sub-fields and within a highly technical, mainstream paradigm. The new theme proposed by Thorbecke should serve to widen the net of researchers willing and able to participate, including some with a more micro or political economy bent. There might also be some scope for cooperation with specialists in other disciplines. The further thematic areas that we propose for consideration might attract economists with a more institutional inclination, which need not imply any diluting of rigour or analytical standards. Again, though, the watchwords in branching out in any of these directions should be caution and incrementality.

13. In introducing new themes, the plenary sessions of the workshops could be used to expose researchers to new topics, and to different ways of thinking about economic systems and how to study them; and as noted, the choice of resource persons should be sensitive at the margin to emerging thematic and methodological needs.

14. Policy relevance. The AERC should acknowledge, and accept with equanimity, that in general its research output is likely to have only a limited direct and immediate influence on current policy debates. The present emphasis, rightly in our view, is on publication of research results in recognised professional journals and similar outlets. Such writings are not and cannot be designed for a wider general readership. The main impact on ideas and events of AERC research is likely to be indirect and longer term; and it will be felt through a variety of channels, many of which lie outside the control of the AERC as an organisation. The capacity of the Secretariat to become directly involved in this wider process is very limited; and
because of this, and for prudential reasons also, initiatives along these lines should be selective and judicial. As part of this deliberate approach, AERC should not attempt to build a formal network of institutional relations with policy research bodies, and should exercise caution in sponsoring, as opposed to participating in, national policy workshops.

15. Within these limits, the links with policy can be strengthened without any major changes in current operations. We think that more emphasis could and should be placed on policy relevance in the choice and design of research projects; that more weight should be given to policy experience in the balance of attributes sought in resource persons; that greater use should be made of policy makers, economists and non-economists alike, in plenary sessions; that research results should be made available, not always of necessity by AERC, in a variety of forms tailored to specific audiences and occasions; that capacity building should be defined in broad terms, so that it includes the ability to communicate ideas and results to wider audiences than the 'research community'; and that efforts should be made to involve economic researchers employed by organizations of civil society in AERC projects, as they too should have a role in influencing the formulation of economic policy.

16. The main single aim of the AERC, and of the Research Programme in particular, is to integrate African economists and African universities and research institutes, into the wider international research community. To this end, the focus has rightly been, and should continue to be, on the production of research which will meet accepted international academic standards and which can be published in recognised professional journals. At the same time, however, AERC should bear in mind, not consistently than at present, that the ability to produce good journal articles is only one aspect of professionalism, and that others besides research economists are involved in, and may have something to contribute to, the policy debate.

17. The Collaborative MLA Programme is still in its infancy, but the strong impression we have is that is a remarkably successful programme. We have been impressed by the high standards being maintained in both academic and administrative terms, and we fully endorse continued support for the programme. The CMAP is low-cost as compared with equivalent programmes overseas, yet it offers additional capacity building advantages.

18. With the possible exception of interim assistance to formerly 'Black' universities, the existing geographic coverage of the CMAP should be maintained. The Secretariat should be encouraged, however, to continue giving assistance to the formation of similar programs in Nigeria and South Africa, and to
improved implementation of the Francophone programme, if requested to do so. Within the existing geographic coverage, consideration should be given to providing Category A universities with additional resources to facilitate their 'graduation' to B status.

19. The AERC has taken some steps in the direction of encouraging females to study economics, but it might wish to be a little more activist, perhaps by offering small scholarships, arranging for remedial math courses for women, encouraging qualified women to teach core and elective courses, and ensuring that appropriate attention is paid to issues of gender in MA courses.

20. The AERC might wish to be more insistent, perhaps by writing into the legal contract, that Category B universities send examinations in core courses to external examiners prior to the exam being sat, and that opportunity be given for students to evaluate core course teaching. It might also consider facilitating the exposure of staff of Category B universities to recent developments in teaching techniques designed to secure more active student involvement in learning.

21. The CMAP already has strong links to policy makers and policy making. These might be strengthened by regularly inviting policy makers to address the students at the JFE and by giving Liaison Committees a more active role in the design and facilitation of research projects of MA students. As with the plenary sessions in the research workshops, there should be a conscious attempt to expose students to ways of thinking which are not those of typical academic economists.

22. Training assistance at the PhD level is modest, but is considered very useful. In the event of increasingly tight resource constraints, preference should be given to thesis research awards over PhD fellowships. Consideration might also have to be given to limiting the range of thesis research fields in economics eligible for research assistance.

23. The biggest single policy issue facing the AERC in phase IV is that of whether or not to implement a Collaborative PhD Programme. There are a number of arguments in favour of introducing such a programme. The demand for graduates is certainly there; the proposal appears to have strong support among African academics and universities; it could well have financial and non-financial benefits relative to overseas training; and it would serve to strengthen existing thesis-only programmes. On the other hand, two interrelated concerns have been voiced. First, there are doubts as to whether a critical mass of suitably qualified academics exists at present, or could be established and maintained, in any African institution; and second, there is an obvious risk that funding would not be made available in sufficient amounts and
over a sufficiently long period. Some well-informed observers hold strongly to the view that for PhD training African students should enrol in the well-established international programmes outside Africa.

24. We feel that any such proposal as this - and we have not had access to a detailed one at this time - ought to proceed only if reliable longer-term funding were made available, if the staffing of the Secretariat were strengthened appropriately and if it seemed clear that the international credibility of the programme could be established and maintained. An appropriate governance structure would be needed for the programme.

25. The governance structure of the AERC works effectively: we see no major problems in this area. There is a clear division of labour between the different decision taking bodies and each takes its responsibilities seriously. The Board appears unique, in that it is a donor board which has, apart from overall executive authority, a clear responsibility for fund raising while delegating responsibility for project choice. The requirement that Board members be funders has meant that until recently it had no African representation; but now the situation has changed, since the African Capacity Building Foundation has appointed a member and the constitution now permits the judicious use of members-at-large. With these developments, Board composition is not likely to be an issue. If more African representation is felt to be needed, it can be achieved within existing Board rules.

26. The Advisory Committee and Academic Board do have strong African representation and maintain clear authority over the content of the research programme and MA programme respectively. Both bodies appear to function well, though with some problems of turnover. Though there is no provision for representation of researchers or students on these bodies, this might be difficult to achieve given the short duration of research and MA programmes. If greater formal input from these groups into decision taking by the AERC is deemed desirable, it could be accomplished by establishing representative bodies which would meet at workshops and the JFE and solicit input from their respective constituencies. Alternatively the Secretariat could itself administer written evaluations and questionnaires to seek more formal feedback.

27. The Secretariat is a key element in the governance structure, both in its own right and in the support it gives to the Advisory Committee and Academic Board. Much of the Consortium's success is due to the all-round professionalism which the Secretariat has shown. The choice of senior Secretariat personnel, and the quality of leadership in these posts, will be critical for the future of AERC.
28. Management procedures and relations within the Secretariat appear to be working well. In general, staffing levels seem appropriate for existing functions; but there is no doubt that the Executive Director and his two Coordinators are chronically overextended. We think that there is a good case for appointing a full time Assistant Research Coordinator, preferably one fluent in French and familiar with the culture and institutions of Francophone Africa. This would help to deal simultaneously with two matters of concern.

29. Although there is great uncertainty surrounding levels of foreign aid generally, we have no sense of any impending large cuts to AERC funding. Phase IV should, however, see a continuation of efforts to improve cost-effectiveness and to diversify the funding base. Ideally, donors should move to a five year planning (and evaluation) cycle and should avoid earmarking funds. The decision to build up a reserve fund was a sound one but not too much energy should be put into pursuing endowment funding. Efforts to raise funds within Africa should be stepped up.

30. The AERC is a highly successful organization which has reached a stage approaching maturity. This success deserves to be recognised and built on. In this connection, we express two hopes for the next stage.

31. First, we consider that for the future, as in the past, AERC's success will depend on a continuing readiness to innovate in well-considered ways. The Secretariat should therefore be encouraged to maintain an innovative approach, and to work up new ideas. While keeping to its well-tried working philosophy of organisational prudence, AERC should continue to be receptive to new possibilities.

32. Second and more fundamentally, we would hope that, in planning for Phase IV, donors will give weight to the widely acclaimed achievement of AERC, and to the high probability that a modest extension of its role and activities, within the framework of institutions and procedures that has served it well, would prove to be a sound use of resources.